TOWN OF PANTEGO, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2023

Prepared by:

Sean Smith, CPA
Director of Finance

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TOWN OF PANTGO, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2023

TABLE OF CONTENTS

	Page	Exhibit/Table
INTRODUCTORY SECTION		
Letter of Transmittal	1	
List of Principal Officials	6	
Organizational Chart	7	
GFOA Certificate of Achievement	8	
FINANCIAL SECTION		
Independent Auditors' Repot	11	
Management's Discussion and Analysis (Required Supplementary Information)	15	
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Position	27	Exhibit A-1
Statement of Activities	28	Exhibit A-2
Fund Financial Statements:		
Balance Sheet - Governmental Funds	30	Exhibit A-3
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	31	Exhibit A-4
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	32	Exhibit A-5
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33	Exhibit A-6
Statement of Net Position - Enterprise Funds	34	Exhibit A-7
Statement of Revenues, Expenses, and Changes in Fund Net Position - Enterprise Funds	35	Exhibit A-8
Statement of Cash Flows - Proprietary Funds	36	Exhibit A-9
Notes to the Financial Statements	37	
Required Supplementary Information		
Budgetary Comparison Schedules:		
General Fund	62	Exhibit B-1
Schedule of Changes in the Town's Net Pension Liability And Related Ratios -Texas Municipal Retirement System	63	Exhibit B-2
Schedule of Town's Contributions - Texas Municipal Retirement System	64	Exhibit B-3
Schedule of Changes in the Town's Total OPEB Liability And Related Ratios -OPEB Plan	65	Exhibit B-4
Notes to Required Supplementary Information	66	

TOWN OF PANTGO, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2023

TABLE OF CONTENTS

	Page	Exhibit/Table
Combining Statements and Budgetary Comparison Schedules as Supplementary Information:		
Combining Balance Sheet - All Nonmajor Governmental Funds	70	Exhibit C-1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Nonmajor Governmental Funds	71	Exhibit C-2
Special Revenue Funds:		
Combining Balance Sheet - Nonmajor Special Revenue Funds	72	Exhibit C-3
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	74	Exhibit C-4
Budgetary Comparison Schedules:		
Coronavirus State and Local Fiscal Recovery Funds	76	Exhibit C-5
Court House Security Fund	77	Exhibit C-6
Court Technology	78	Exhibit C-7
Shamburger	79	Exhibit C-8
Debt Service Funds:		
Budgetary Comparison Schedule:		
Debt Service 2019 CO	80	Exhibit C-9
Capital Projects Funds:		
Combining Balance Sheet - Nonmajor Capital Projects Funds	81	Exhibit C-10
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds	82	Exhibit C-11
Pantego Economic Development Corporation		
Combining Balance Sheet - All Governmental Funds	84	Exhibit C-12
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	85	Exhibit C-13
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Funds	86	Exhibit C-14
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	87	Exhibit C-15
Budgetary Comparison Schedules: PEDC Operating Fund	88	Exhibit C-16

TOWN OF PANTGO, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2023

TABLE OF CONTENTS

	Page	Exhibit/Table
Supplemental Schedules:		
Aggregate Schedule of Net Position - Water and Sewer Fund	90	Exhibit C-17
Aggregate Schedule of Revenues, Expenses, and Changes in Fund Net Position - Water and Sewer Fund	91	Exhibit C-18
Aggregate Schedule of Cash Flows - Water and Fund	92	Exhibit C-19
STATISTICAL SECTION		
Net Position by Component	94	Table D-1
Expenses, Program Revenues, and Net (Expense)/Revenue	96	Table D-2
General Revenues and Total Change in Net Position	98	Table D-3
Fund Balances of Governmental Funds	100	Table D-4
Changes in Fund Balances of Governmental Funds	101	Table D-5
Tax Revenues by Source, Governmental Funds	102	Table D-6
Assessed Value and Estimated Actual Value of Taxable Property	103	Table D-7
Direct and Overlapping Property Tax Rates	104	Table D-8
Principal Property Tax Payers	105	Table D-9
Property Tax Levies and Collections	106	Table D-10
Direct and Overlapping Sales Tax Rates	107	Table D-11
Sales Tax Revenue Collection by Fund	108	Table D-12
Ratios of Outstanding Debt by Type	109	Table D-13
Ratios of General Bonded Debt Outstanding	110	Table D-14
Direct and Overlapping Governmental Activities Debt	111	Table D-15
Legal Debt Margin Information	112	Table D-16
Pledged-Revenue Coverage	113	Table D-17
Demographic and Economic Statistics	114	Table D-18
Principal Employers	115	Table D-19
Full-Time-Equivalent Employees by Function/Program	116	Table D-20
Operating Indicators By Function/Program	118	Table D-21
Capital Asset Statistics by Function/Program	120	Table D-22

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Introductory Section

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1614 S. Bowen Rd.
Pantego, Texas 76013
(817) 617-3700
Fax (817) 617-3726

March 22, 2024

TO: Honorable Mayor and Town Council Members and
Citizens of the Town of Pantego, Texas:

The Annual Comprehensive Financial Report of the Town of Pantego for fiscal year ended September 30, 2023, is hereby submitted. State law and Town Financial Management Policies require that the Finance Department prepare a complete set of financial statements that are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by licensed independent certified public accountants. This report is published to satisfy that requirement and to provide the Town Council, staff, our citizens, bondholders, and other interested parties with detailed information concerning the financial condition and activities of the Town government.

Responsibility for both accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. The Town is responsible for establishing and maintaining internal controls designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

State Law requires the Town's basic financial statements to be audited by independent certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town are presented fairly, in all material respects, for the fiscal year ended September 30, 2023. This independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Rutledge Crain & Company, PC, Certified Public Accountants, performed the required audit and have issued an unmodified ("clean") opinion on the Town of Pantego's financial statements for the year ended September 30, 2023. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

THE REPORTING ENTITY

Pantego was incorporated in 1952 as a village but changed to a Type A General Law city in 1967. Pantego is located in Tarrant County and is entirely surrounded by the cities of Arlington and Dalworthington Gardens. It is located in the middle of the Dallas-Fort Worth Metroplex, a metropolitan area spanning several counties. General Law cities are smaller cities, most of which are less than 5,000 in population. All General Law cities operate according to specific state statutes prescribing their powers and duties. General Law cities are limited to doing what the state authorizes or permits them to do. If state law does not grant General Law cities the express or implied power to initiate a particular action, none may be taken.

The governing body of a municipality operating as a Type A General Law municipality is known as the "City Council" and if the city has not been divided into wards, the governing body always consists of a Mayor and five Council members. Under this form of government, the Mayor and five Council members are elected at large for staggered two-year terms on the first Saturday in May. All members serve without compensation. The Mayor and City Council appoint the City Manager, City Secretary, Town Attorney, and all who serve on the Town's Boards and Commissions. The City Manager in turn appoints the heads of various departments.

In 1980, the Town adopted a Council-Manager form of government. The basic structure of the Council-Manager plan is similar to that of a private corporation, in which the stockholders elect a board of directors which then hires a president to run the company. Under the Council-Manager plan, the voters elect a City Council which, in turn, hires a City Manager to administer the Town's day-to-day affairs. The Town Council serves as the legislative body, sets policy, approves an annual operating budget, sets the tax rate, and determines the size of the payroll and the extent and cost of municipal services. In short, the Council is the final authority on all the many policy decisions that determine the scope and functions of the Town government.

The Town provides a full range of services. These include public safety (police, fire, and emergency medical services), municipal court, public works, community development and general administrative services. In addition, the Town owns and operates a water and sewer distribution system.

The basic financial statements of the Town include all governmental activities, organizations, and functions for which the Town is financially accountable. The criteria considered in determining governmental activities to be reported within the Town's basic financial statements are based upon and consistent with those set forth in the Codification of Governmental Accounting and Financial Reporting Standards. Component units are legally separate organizations that a primary government must include as a part of its financial reporting entity. The government-wide financial statements include not only the Town itself (known as the primary government), but also include the Pantego Economic Development

Corporation (PEDC) as a discretely presented component unit. The discretely presented component unit is presented in a separate column in the government-wide financial statements.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

In developing and evaluating the Town's accounting system, consideration is given to the accuracy of internal control over financial reporting. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from the control. The evaluation of costs and benefits requires estimates and judgments by management. We believe the Town's current system of internal control over financial reporting adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

In addition to the system of internal controls, the Town maintains budgetary controls. The objective of these budgetary controls is to ensure compliance of legal provisions embodied in the annual appropriated budget adopted by the Town Council. Budgetary controls are exercised at the departmental level. If necessary, the original adopted budget is modified to incorporate into a proposed mid-year budget, which is then used as the working budget for the remainder of the fiscal year.

LOCAL ECONOMY

The Town of Pantego's location between Dallas and Fort Worth is ideal for business and residents. The North Texas region possesses diverse research and educational institutions, logistics, oil and gas, manufacturing and industrial, and a professional service. This base has traditionally contributed to a relative stability of the unemployment rate. The Town currently enjoys a stable economic environment, and local indicators point to continued stability despite National economic uncertainty. Overall, the North Texas region has fared better than the nation as a whole. Relative low taxes, housing and energy costs make the area attractive to business, with the additional enticement that Texas has no state personal income tax.

As it is widely recognized, revenue sources for municipalities are primarily derived from Ad-Valorem (Property), sales and use taxes. Combined, property and sales tax funded approximately 73% of the General Fund maintenance and operation expenditures for Fiscal Year 2023. Sales tax revenue is the largest source of income for the Town of Pantego. The Town of Pantego and the PEDC are committed to the support and growth of the local economy. Rich with an eclectic mix of small businesses and national retailers, the Town and PEDC seek new investments and redevelopment that build on the abundant strengths already present in the community. To assist in this effort, PEDC continues the use of several valuable business assistance tools, such as economic incentives and small business grants.

In July 2014, both PEDC and the Town Council unanimously voted to officially join the Arlington Chamber of Commerce. The investment in becoming part of the Chamber's President Advisory Council

continues to provide significant new resources to Pantego's businesses. The Chamber has expanded its marketing and communications tools to further elevate the Pantego business community and deliver unique services for businesses to access new customers, capital, and continuing education. These resources continue to enhance the Town's proactive visionary attitude toward business development, retention and quality of life and its mission on building an economically sustainable community.

BUDGETING PROCESS

State Law requires that an operating budget be adopted prior to the first day of the fiscal year beginning October 1st. The Town's budget process is a six-month cycle, which begins in early April and ends in late September. Departments submit budget proposals by early May and during the months of May and June the City Manager and the Finance Director develop the recommended budget based on the directives received from the Council.

The Town of Pantego uses a program-based budgeting process. Each budgeting unit/department is given a target "baseline" funding level based upon the previous year's funding level. With a few exceptions, no capital assets, wages and benefits, or one-time packages are included in the baseline funding. Any funding request that represents new expenditures and programs, or that is in excess of baseline funding, must be submitted as a separate request or "package." These packages may be either a new or restoration request of resources, depending upon the budgeting unit's funding target.

The budget revenue projections for the new fiscal year begin early in the current fiscal year. The projections are made by the departments responsible for the revenues with help from the Finance Director. Projections are based upon consultations with state and local agencies, trend analysis, anticipated changes in the local and regional economy, and discussions with directly associated staff members. Although revenue projections are prepared early in the budget process, the budget revenue analysis continues with departmental budget development and extends until the budget is adopted based upon any new information. Given revenue projections and baseline funding requirements, budget funding changes are made according to necessity and priority. A total recommended funding level is determined and is weighed against available resources.

Prior to August, the City Manager submits to the Council a proposed budget of expenditures and the means to finance them for the next year. The Council holds workshop meetings and public hearings on the proposed budget to receive citizen feedback and make final determinations about the eventual adopted budget. Prior to September 30th, the budget is legally enacted through the favorable passage of an appropriation ordinance. The budget may be amended during the year only after complying with the notice procedure called for adopting of the budget.

The City Manager is authorized to make line-item and departmental budget adjustments during the year in order to avoid over-expenditure of particular line items. Adjustments require no further Council action if the total appropriation for each fund as set forth in the adopted budget is not exceeded. Expenditures in excess of the adopted appropriations for each fund require budget amendments in accordance with Town

Policy. Budget maintenance is a year-round activity of divisions/departments and the Finance Director. Spending control mechanisms during the year include monthly review of expenditures and financial reports to the Town Council. Finally, program goals, objectives and measures are evaluated during the budget implementation to determine effectiveness of program activities and levels of appropriate funding for subsequent years. The legally adopted budgets for the General Fund, Court House Security Special Revenue Fund, Court Technology Special Revenue Fund, Shamburger Special Revenue Fund, and the Debt Service Fund are adopted on a basis consistent with generally accepted accounting principles.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Pantego for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. This award recognizes conformance with the highest standards for preparation of state and local government financial reports. A Certificate of Achievement is valid for a period of one year only. This was the nineth year for which the Town of Pantego received this prestigious award. We believe our current Annual Comprehensive Financial Report conforms to the Certificate of Achievement Program requirements and consequently we will be submitting to the GFOA to determine its eligibility.

The preparation of this report could not be accomplished on a timely basis without the efficient and dedicated endeavors of the entire Town staff. We would like to express our sincere appreciation to all employees who contributed to the preparation. We would also like to thank the Mayor and Town Council for their support in planning and conducting the financial operations of the Town in a responsible manner.

Respectfully submitted,

Joe Ashton
City Manager

Sean Smith
Finance Director

TOWN OF PANTEGO, TEXAS

ELECTED OFFICIALS

Town Council

RUSSELL BREWSTER, MAYOR

TORI ROEMMICH, Place 1
TYLER LOE, Place 2
MIKE DUNCAN, Place 3 Mayor Pro Tem
GREGG KIDD, Place 4
JEFF BROWN, Place 5

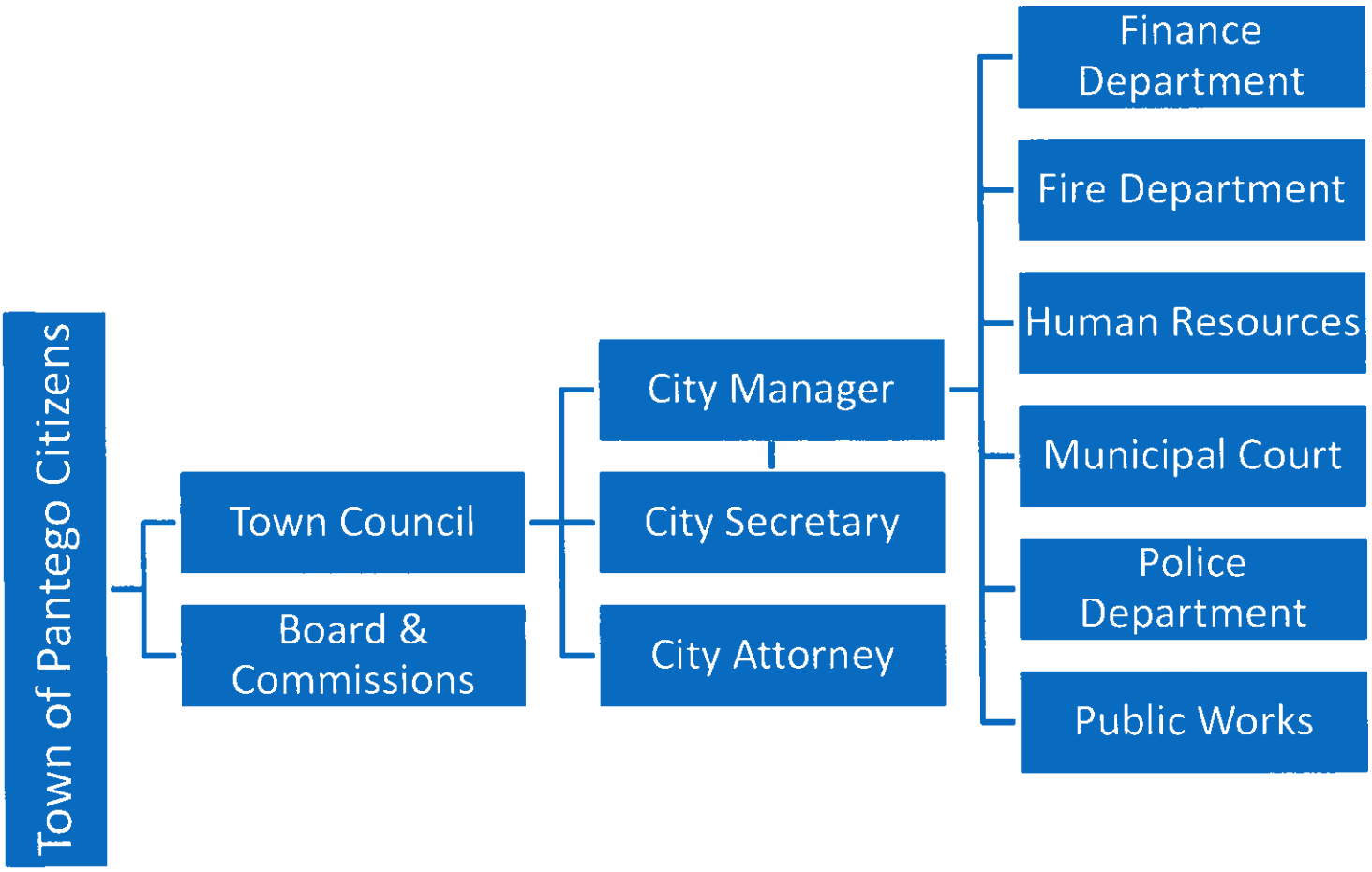
APPOINTED OFFICIALS

Joe Ashton City Manager
Leslie Galloway, City Secretary
Carvan Adkins, Town Attorney

KEY STAFF

Sean Smith, Finance Director
Dale Alexander, Public Works Director
Sandra Overstreet, Human Resources
Robert Rife, Police Chief
Randy Fulton, Fire Chief
Dani Soria, Municipal Court Administrator

TOWN OF PANTEGO


Town of Pantego Citizens
Town Council
Board & Commissions
City Manager
City Secretary
City Attorney
Finance Department
Fire Department
Human Resources
Municipal Court
Police Department
Public Works

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Pantego
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

Financial Section

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RUTLEDGE CRAIN & COMPANY, PC
CERTIFIED PUBLIC ACCOUNTANTS
3214 W Park Row, Suite E
Pantego, Texas 76013

INDEPENDENT AUDITORS' REPORT

To the Town Council
Town of Pantego, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Pantego, Texas, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Pantego, Texas' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Pantego, Texas, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Pantego, Texas, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Pantego, Texas' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Pantego, Texas's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Pantego, Texas' ability to continue as a going concern for a reasonable period of time.

Metro (817) 265-9989
Members
American Institute of Certified Public Accountants
Texas Society of Certified Public Accountants

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Pantego, Texas's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Rutledge Crain & Company, PC

March 22, 2024

Management's Discussion and Analysis

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This section of the Town of Pantego (the "Town") annual financial report presents our discussion of the Town's financial performance during the fiscal year ended September 30, 2023. The management's discussion and analysis are supplemental to, and should be considered, along with the Town's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflow of resources of the Town of Pantego exceeded its liabilities and deferred inflow of resources at the close of the most recent fiscal year by $11,406,942 (net position) compared to $12,311,089 for the prior year. Of this amount, $784,478 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.

- The Town's total net position decreased by $904,147. The Town's governmental activities net position decreased by $1,273,563 and the business-type activities net position increased by $369,416.

- As of the close of the current fiscal year, the Town of Pantego's governmental funds reported combined ending fund balances of $16,444,288 which is an increase of $12,748,615 from the prior year.

- As of the close of the current fiscal year, unassigned fund balance for the general fund was $1,091,455 which is 78 days or 21% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

Government-wide Financial Statements - Government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business. The statement of net position presents information on all the Town's assets, deferred resource outflows, liabilities, and deferred resource inflows, with the difference between them reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing related to cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., earned but unused vacation leave).

In the Statement of Net Position and the Statement of Activities we divide the Town into two (2) kinds of activities:

- *Governmental Activities*: Most of the Town's basic services are reported here, including police, fire, street maintenance, municipal court, and general administration. Property tax, sales tax, charges for services, franchise fees, and fines and forfeitures provide the majority of the funding for these activities.

- *Business-type Activities*: The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's water and sewer system are reported here.

The government-wide financial statements include not only the Town itself (known as the primary government), but also a legally separate Economic Development Corporation for which the Town is financially accountable. The Pantego Economic Development Corporation (P.E.D.C.) accounts for the local sales tax used to stimulate the local economy, development, and redevelopment. Financial information for this component unit is reported separately from the financial information presented for the primary government. Additional information on the component unit can be found in Note 1 in the notes to the basic financial statements.

The government-wide financial statements can be found in Exhibits A-1 and A-2 of this report.

Fund Financial Statements - The fund financial statements provide detailed information about the most significant funds – not the Town as a whole. Funds are accounting devices that the Town uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law or bond covenants. The Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants. All the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds - These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near term inflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the 2023 CO Capital Projects Fund, which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts annual appropriated budgets for the general fund, special revenue funds, and debt service funds. Project length budgets are adopted for the capital projects funds. A budgetary comparison schedule has been provided for all annual budgeted funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits A-3 through A-6 of this report.

Proprietary Funds – Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Services for which the Town charges customers a fee are generally reported in proprietary funds. The Town uses an enterprise fund, the Water and Sewer Fund, to account for its operations. The proprietary fund financial statements provide information on the Town's utility (water and sewer) system, which is considered to be a major fund of the Town. The basic proprietary fund financial statements can be found on Exhibits A-7 through A-9 of this report.

Notes to the Basic Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the basic financial statements.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress funding its obligation to provide pension and OPEB benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by $11,406,942 as of September 30, 2023. Below is a summary of the Town's Statement of Net Position.

CONDENSED STATEMENT OF NET POSITION
At September 30, 2023

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	$ 17,950,115	$ 5,059,708	$ 1,109,408	$ 1,302,695	$ 19,059,523	$ 6,362,403
Capital assets	5,341,446	5,962,978	5,816,924	5,241,311	11,158,370	11,204,289
Total assets	23,291,561	11,022,686	6,926,332	6,544,006	30,217,893	17,566,692
Deferred outflow of resources	2,271,232	573,781	275,364	69,759	2,546,596	643,540
Long-term liabilities	18,672,308	3,246,116	316,333	36,701	18,988,641	3,282,817
Other liabilities	1,218,046	948,521	207,118	213,036	1,425,164	1,161,557
Total liabilities	19,890,354	4,194,637	523,451	249,737	20,413,805	4,444,374
Deferred inflow of resources	841,441	1,297,269	102,301	157,500	943,742	1,454,769
Net Position:						
Net investment in capital assets	2,640,510	3,248,056	5,816,924	5,241,311	8,457,434	8,489,367
Restricted	2,165,030	1,701,546	-	-	2,165,030	1,701,546
Unrestricted	25,458	1,154,959	759,020	965,217	784,478	2,120,176
Total net position	$ 4,830,998	$ 6,104,561	$ 6,575,944	$ 6,206,528	$ 11,406,942	$ 12,311,089

The largest portion of the Town's net position $8,487,434 or 74.1% reflects its net investment in capital assets (e.g., land, buildings, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is still outstanding. The Town uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position, $2,165,030 or 19.0% represents resources that are subject to external restriction on how they may have been used. The remaining balance of unrestricted net position $784,478 or 6.9% may be used to meet the government's ongoing obligation to citizens and creditors.

The following table provides a summary of the Town's operations for the year ended September 30, 2023.

CHANGES IN NET POSITION
At September 30, 2023

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for services	$ 812,645	$ 680,780	$ 1,276,456	$ 1,548,821	$ 2,089,101	$ 2,229,601
Operating grants and contributions	26,720	22,750	-	-	26,720	22,750
Capital grants and contributions	-	313,320	-	-	-	313,320
General Revenues:						
Taxes:						
Property taxes	1,857,039	1,534,994	-	-	1,857,039	1,534,994
Sales tax	2,381,234	2,282,299	-	-	2,381,234	2,282,299
Franchise tax	318,043	290,788	-	-	318,043	290,788
Investment earnings	356,227	26,591	37,024	8,679	393,251	35,270
Other	120,131	90,958	345	435	120,476	91,393
Gain/(Loss) on retirement of Capital Assets	(71,645)	8,460	-	-	(71,645)	8,460
Total Revenues	5,800,394	5,250,940	1,313,825	1,557,935	7,114,219	6,808,875
Expenses						
General and administrative	721,165	571,428	-	-	721,165	571,428
Public Works	898,275	836,830	-	-	898,275	836,830
Community Development	23,815	31,800	-	-	23,815	31,800
Police	1,965,746	1,544,166	-	-	1,965,746	1,544,166
Fire	2,041,918	1,444,702	-	-	2,041,918	1,444,702
Municipal Court	437,727	372,200	-	-	437,727	372,200
Other	8,633	12,893	-	-	8,633	12,893
Interest and fiscal agent charges	408,133	73,283	-	-	408,133	73,283
Water and sewer	-	-	1,512,954	1,015,435	1,512,954	1,015,435
Total Expenses	6,505,412	4,887,302	1,512,954	1,015,435	8,018,366	5,902,737
Increase (decrease in net position before transfers)	(705,018)	363,638	(199,129)	542,500	(904,147)	906,138
Transfers	(568,545)	(1,676,190)	568,545	1,676,190	-	-
Increase (decrease) in net position	(1,273,563)	(1,312,552)	369,416	2,218,690	(904,147)	906,138
Net position - beginning	6,104,561	7,417,113	6,206,528	3,987,838	12,311,089	11,404,951
Prior Period Adjustment					-	-
Net position - ending	$ 4,830,998	$ 6,104,561	$ 6,575,944	$ 6,206,528	$ 11,406,942	$ 12,311,089

Governmental Activities – Governmental activities decreased the Town's net position by $1,273,563 in the current year compared to a $1,312,552 decrease in the prior year. Total governmental activities revenues increased by $549,454 (10.5%) primarily due to an increase in Sales Tax, Property Tax, and Investment Earnings. Expenditures for the 2023 Fiscal Year increased by $1,618,110 (33.1%) over the prior fiscal year.

Business-type Activities – Business-type activities increased the Town's net position by $369,416 in the current year compared to an increase in net position of $2,218,690 in the prior year. Total revenues decreased by $244,110 (15.7%). Expenses increased $497,519 (49.0%) over the prior fiscal year.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds – The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, an unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the year.

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $16,444,288. Approximately 6.6% or $1,091,455 of this total constitutes unassigned fund balance, which is available for spending at the government's discretion. A fund balance of $9,842 is considered non-spendable because it has been used for prepaid items and inventory. A total of $15,342,991, approximately 93.4%, is restricted, committed, and assigned due to external limitations on its use, such as by debt covenants, legal, Town Council restrictions, or intention of grantors, donors, or trustees.

The General fund is the chief operating fund of the Town. At the end of the fiscal year, the unassigned fund balance of the General fund was $1,091,455. It is useful to compare unassigned fund balance to total fund expenditures as a measure of liquidity. Unassigned fund balance represents approximately 21.5% or 78 days of total general fund expenditures. The ending fund balance in the general fund decreased by $154,736 compared to a $618,053 decrease in the prior year, primarily due to increased expenditures and inter-fund transfers.

Proprietary Funds – The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Unrestricted net position of the Water and Sewer fund, which combined comprises the Water and Sewer Operating, Construction and Water Infrastructure funds, at the end of the fiscal year amounted to $759,020. The Water and Sewer fund is considered a major fund of the Town. Other factors concerning the finances of this fund are addressed in the discussion of the Town's business-type activities.

General Fund Budgetary Highlights – General Fund revenues were below budgeted projections by $20,478 and expenditures were $50,387 less than the budgeted amount.

The following schedules present a summary of General Fund revenues and expenditures for the fiscal year ended September 30, 2023, and the amount and percentage increase and decrease in relation to the prior fiscal year.

Summary of General Fund Revenues

Revenues	Fiscal Year 2023	Percent of Total	Increase (Decrease) from prior year	Percentage Increase/ (Decrease)
Property tax	$ 1,698,378	34.4%	$ 339,377	25.0%
Sales tax	1,986,813	40.3%	82,585	4.3%
Franchise tax	305,228	6.2%	23,024	8.2%
Fines and forfeitures	527,718	10.7%	94,923	21.9%
Licenses and permits	85,121	1.7%	(3,469)	-3.9%
Ambulance service	84,142	1.7%	(32,040)	-27.6%
Intergovernmental	40,815	0.8%	18,065	79.4%
Charges for services	17,481	0.4%	(1,121)	-6.0%
Investment earnings	47,888	1.0%	40,102	515.1%
Miscellaneous	139,409	2.8%	34,155	32.5%
Total	$ 4,932,993	100.0%	$ 595,601	13.7%

Overall, General Fund revenues increased by $595,601 or 13.7% over the prior fiscal year.

Summary of General Fund Expenditures

Expenditures	Fiscal Year 2023	Percent of Total	Increase (Decrease) from prior year	Percentage Increase/ (Decrease)
General and administrative	$ 698,068	13.7%	$ 114,793	19.7%
Public Works	344,022	6.8%	(3,813)	-1.1%
Community development	4,217	0.1%	(7,985)	-65.4%
Police	1,923,542	37.9%	172,234	9.8%
Fire	1,695,114	33.4%	309,385	22.3%
Municipal Court	406,650	8.0%	30,064	8.0%
Community Relations	7,656	0.2%	(3,211)	-29.5%
Capital Outlay	-	0.0%	-	0.0%
Total	$ 5,079,269	100.0%	$ 611,467	13.7%

General Fund expenditures increased by $611,467, or 13.7% compared to the prior year. The increase is due to an increase in personnel costs as the Town Council approved significant increases to salary ranges in order to maintain competitiveness with neighboring municipalities, as well as inflationary pressures on many items.

CAPITAL ASSETS

The Town's net investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to $8,142,868. Major capital asset purchases and projects completed during the fiscal year included the following:

Governmental activities:

- New Radios for Public Safety.

Business-type activities:

- Replacement of the main North-South Waterline.

CAPITAL ASSETS
(NET OF DEPRECIATION)
At Year End

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	$ 211,263	$ 211,263	$ 384,461	$ 61,971	$ 595,724	$ 273,234
Construction in progress	22,174	18,628	397,690	820,965	419,864	839,593
Buildings	684,183	742,624	-	-	684,183	742,624
Improvements	944,861	1,081,136	5,034,773	4,358,375	5,979,634	5,439,511
Machinery and equipment	835,584	1,138,351	-	-	835,584	1,138,351
Leased Equipment	323,093	211,601	-	-	323,093	211,601
Infrastructure	2,320,288	2,559,375	-	-	2,320,288	2,559,375
Total	$ 5,341,446	$ 5,962,978	$ 5,816,924	$ 5,241,311	$ 11,158,370	$ 11,204,289

Additional information on the Town's capital assets can be found in Note III.F. in the notes to the basic financial statements.

LONG TERM DEBT

At the end of the current fiscal year, the Town had a total of $15,542,941 in outstanding bonded debt. This debt is secured by a combination of property taxes and a pledge of water and sewer revenues. This debt was issued for major infrastructure improvements. The Town also has entered into lease obligations for Town vehicles. The current remaining liability is $314,567.

OUTSTANDING DEBT
At Year End

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Certificates of Obligation	$ 14,785,000	$ 2,465,000	$ -	$ -	$14,785,000	$ 2,465,000
Premium	941,027	77,448	-	-	941,027	77,448
Discount	(183,086)	(23,970)	-	-	(183,086)	(23,970)
Lease Obligations	314,567	195,906	-	-	314,567	195,906
Total	$ 15,857,508	$ 2,714,384	$ -	$ -	$15,857,508	$ 2,714,384

Additional information on the Town's outstanding debt can be found in Note III.H. in the notes to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Although the nationwide economic forecast for the future continues to be uncertain, the Town continues to remain in a stable position. The Town experienced an increase of 4.3% in sales tax revenue compared to the prior fiscal year. Other areas were mixed in their results, but the Town remained conservative in comprising its Budget for the coming Fiscal Year. The Town's efforts towards economic development, attracting new retail businesses and redeveloping existing properties, continue to be a major focus now and for years to come.

The Town's property tax rate was increased to $0.57 per $100 taxable value for fiscal year 2024 from $0.476 per $100 in fiscal year 2023 to fund a portion of the debt service of the 2023 Certificates of Obligation issuance. In Fiscal Year 2024, General Fund Revenues were budgeted to increase 5.4% compared to Fiscal Year 2023 Revenues. Expenditures for Fiscal Year 2024 are Budgeted to increase 5.2% versus Fiscal Year 2023 expenditures.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances. Questions concerning any of the information provided in this report or requests for additional information may be obtained by contacting the Town of Pantego, Attn: Finance Department, 1614 South Bowen Rd, Pantego, Texas 76013. This information can also be accessed on the Town of Pantego's website at www.townofpantego.com.

Basic Financial Statements

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EXHIBIT A-1

TOWN OF PANTEGO, TEXAS

STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS:				
Cash and Cash Equivalents	$ 16,422,629	$ 601,066	$ 17,023,695	$ 2,264,973
Receivables, net:				
Property tax	45,570	--	45,570	--
Sales tax	407,539	--	407,539	135,846
Franchise tax	169,662	--	169,662	--
Fines receivable	807,240	--	807,240	--
Accounts	38,413	239,912	278,325	--
Other	46,796	--	46,796	--
Internal balances	--	--	--	--
Due from other governments	2,424	--	2,424	--
Inventory	6,219	149,289	155,508	5,854
Prepaid items	3,623	--	3,623	--
Restricted Assets:				
Cash and cash equivalents	--	119,141	119,141	--
Capital Assets (net of accumulated depreciation):				
Land	211,263	384,461	595,724	--
Construction in progress	22,174	397,690	419,864	39,856
Buildings	684,183	--	684,183	--
Improvements other than buildings	944,861	5,034,773	5,979,634	--
Machinery and equipment	835,584	--	835,584	--
Leased vehicles and equipment (intangible assets)	323,093	--	323,093	--
Infrastructure	2,320,288	--	2,320,288	347,206
Total Assets	23,291,561	6,926,332	30,217,893	2,793,735
DEFERRED OUTFLOWS OF RESOURCES:				
Employee pensions	2,239,187	272,239	2,511,426	--
Other post empoyment benefits	25,706	3,125	28,831	--
Deferred issuance cost	6,339	--	6,339	6,340
Total Outflows of Resources	2,271,232	275,364	2,546,596	6,340
LIABILITIES:				
Accounts payable	94,562	87,977	182,539	60,925
Accrued payroll liabilities	179,118	--	179,118	--
Other liabilities	598,666	--	598,666	--
Accrued interest payable	170,013	--	170,013	--
Customer deposits payable	--	119,141	119,141	--
Due to other governments	175,687	--	175,687	--
Noncurrent Liabilities-				
Due within one year	386,045	--	386,045	109,578
Due in more than one year	18,286,263	316,333	18,602,596	1,167,198
Total Liabilities	19,890,354	523,451	20,413,805	1,337,701
DEFERRED INFLOWS OF RESOURCES:				
Employee pensions	780,843	94,934	875,777	--
Other post employment benefits	60,598	7,367	67,965	--
Total Inflows of Resources	841,441	102,301	943,742	--
NET POSITION:				
Net Investment in Capital Assets	2,640,510	5,816,924	8,457,434	347,206
Restricted For:				
Debt Service	11,226	--	11,226	--
Capital Projects	2,153,804	--	2,153,804	--
Unrestricted	25,458	759,020	784,478	1,115,168
Total Net Position	$ 4,830,998	$ 6,575,944	$ 11,406,942	$ 1,462,374

The accompanying notes are an integral part of this statement.

TOWN OF PANTEGO, TEXAS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
PRIMARY GOVERNMENT:			
Governmental Activities:			
General government	$ 721,165	$ --	$ 21,463
Public works	898,275	--	--
Community development	23,815	92,924	--
Police	1,965,746	579,113	1,282
Fire	2,041,918	112,280	3,975
Municipal court	437,727	28,328	--
Community relations	8,633	--	--
Interest and fiscal agent charges	408,133	--	--
Total Governmental Activities	6,505,412	812,645	26,720
Business-type Activities:			
Water and Sewer	1,512,954	1,276,455	--
Total Business-type Activities	1,512,954	1,276,455	--
Total Primary Government	$ 8,018,366	$ 2,089,100	$ 26,720
COMPONENT UNITS:			
Pantego Economic Development Corporation	$ 728,879	$ --	$ --
Total Component Units	$ 728,879	$ --	$ --

General Revenues:
Taxes:
  Property Taxes
  Sales Taxes
  Franchise Taxes
Unrestricted Investment Earnings
Miscellaneous Revenue
Gain (loss) on disposal of capital assets
Transfers
  Total General Revenues and Transfers
  Change in Net Position
Net Position - Beginning
Net Position - Ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-type Activities	Total	Component Units
$ (699,702)		$ (699,702)	
(898,275)		(898,275)	
69,109		69,109	
(1,385,351)		(1,385,351)	
(1,925,663)		(1,925,663)	
(409,399)		(409,399)	
(8,633)		(8,633)	
(408,133)		(408,133)	
(5,666,047)		(5,666,047)	
--	$ (236,499)	(236,499)	
--	(236,499)	(236,499)	
(5,666,047)	(236,499)	(5,902,546)	
			$ (728,879)
			(728,879)
1,857,039	--	1,857,039	--
2,381,234	--	2,381,234	788,842
318,043	--	318,043	--
356,227	37,024	393,251	40,350
120,131	346	120,477	4,903
(71,645)	--	(71,645)	--
(568,545)	568,545	--	--
4,392,484	605,915	4,998,399	834,095
(1,273,563)	369,416	(904,147)	105,216
6,104,561	6,206,528	12,311,089	1,357,158
$ 4,830,998	$ 6,575,944	$ 11,406,942	$ 1,462,374

TOWN OF PANTEGO, TEXAS

BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

ASSETS:	General Fund	2023 Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	$ 1,143,240	$ 12,842,005	$ 2,437,386	$ 16,422,631
Receivables, net:				
Property tax	38,965	--	6,605	45,570
Sales tax	339,616	--	67,923	407,539
Franchise tax	169,662	--	--	169,662
Fines	807,240	--	--	807,240
Accounts	38,413	--	--	38,413
Other	42,088	4,708	--	46,796
Due from other governments	2,424	--	--	2,424
Inventory	6,219	--	--	6,219
Prepaid assets	3,623	--	--	3,623
Total Assets	$ 2,591,490	$ 12,846,713	$ 2,511,914	$ 17,950,117
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 88,275	$ --	$ 6,287	$ 94,562
Accrued payroll liabilities	179,118	--	--	179,118
Due to other governments	175,687	--	--	175,687
Other liabilities	595,413	--	3,253	598,666
Total Liabilities:	1,038,493	--	9,540	1,048,033
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	451,700	--	6,096	457,796
Total Deferred Inflows of Resources	451,700	--	6,096	457,796
FUND BALANCES				
Nonspendable:				
Inventory	6,219	--	--	6,219
Prepaid items	3,623	--	--	3,623
Restricted:				
Debt service	--	--	5,131	5,131
Municipal court	--	--	168,712	168,712
Street improvements	--	--	839,412	839,412
Animal control services	--	--	74,647	74,647
Other purposes	--	12,846,713	215,138	13,061,851
Committed				
Capital projects	--	--	1,193,238	1,193,238
Assigned				
Unassigned	1,091,455	--	--	1,091,455
Total fund balances	1,101,297	12,846,713	2,496,278	16,444,288
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 2,591,490	$ 12,846,713	$ 2,511,914	$ 17,950,117

The accompanying notes are an integral part of this statement.

TOWN OF PANTEGO, TEXAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

Total fund balances - governmental funds balance sheet	$	16,444,288
Amounts reported for governmental activities in the Statement of Net Position ("SNP") are different because:		
Capital assets used in governmental activities are not reported in the funds.		5,341,445
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.		40,126
Payables for bond principal which are not due in the current period are not reported in the funds.		(14,785,000)
Payables for right-to-use leases which are not due in the current period are not reported in the funds.		(314,567)
Payables for debt interest which are not due in the current period are not reported in the funds.		(170,013)
Payables for compensated absences which are not due in the current period are not reported in the funds.		(212,939)
Other long-term assets are not available to pay for current period expenditures and are deferred in the funds.		6,339
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.		223,879
Franchise taxes receivable unavailable to pay for current period expenditures are not accrued in the funds.		155,377
Ambulance receivables unavailable to pay for current period expenditures are deferred in the funds.		38,413
Recognition of the Town's net pension liability is not reported in the funds.		(2,474,410)
Deferred Resource Inflows related to the pension plan are not reported in the funds.		(780,843)
Deferred Resource Outflows related to the pension plan are not reported in the funds.		2,239,187
Bond premiums and discounts are amortized in the SNA but not in the funds.		(757,940)
Recognition of the Town's net OPEB liability is not reported in the funds.		(127,452)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.		(60,598)
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.		25,706
Net position of governmental activities - Statement of Net Position	$	4,830,998

The accompanying notes are an integral part of this statement.

TOWN OF PANTEGO, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	2023 Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenue:				
Taxes:				
Property	$ 1,698,378	$ --	$ 175,244	$ 1,873,622
Sales	1,986,813	--	394,421	2,381,234
Franchise	305,228	--	--	305,228
Fines and forfeitures	527,718	--	28,328	556,046
Licenses and Permits	85,121	--	--	85,121
Ambulance service	84,142	--	--	84,142
Intergovernmental	40,815	--	--	40,815
Charges for services	17,481	--	--	17,481
Investment Earnings	47,888	191,179	117,161	356,228
Miscellaneous	139,409	--	--	139,409
Total revenues	4,932,993	191,179	715,154	5,839,326
Expenditures:				
Current:				
General and administrative	698,068	--	--	698,068
Public works	344,022	--	343,077	687,099
Community development	4,217	--	--	4,217
Police	1,923,542	--	9,880	1,933,422
Fire	1,695,114	--	57,391	1,752,505
Municipal Court	406,650	--	7,304	413,954
Community relations	7,656	--	977	8,633
Capital outlay	--	--	211,047	211,047
Debt Service:				
Principal	--	--	174,001	174,001
Interest and Fiscal Charges	--	--	99,314	99,314
Bond Issuance Costs	--	145,623	--	145,623
Total Expenditures	5,079,269	145,623	902,991	6,127,883
Excess (Deficiency) of Revenues Over (Under) Expenditures	(146,276)	45,556	(187,837)	(288,557)
Other Financing Sources (Uses):				
Transfers In	8,790	--	8,460	17,250
Transfers Out	(17,250)	(349,174)	(219,371)	(585,795)
General Obligation Bonds Issued	--	12,425,000	--	12,425,000
Premiums on Bonds Issued	--	890,017	--	890,017
Capital Leases	--	--	177,616	177,616
Sale of Capital Assets	--	--	277,770	277,770
Discount on Bonds Issued	--	(164,686)	--	(164,686)
Total Other Financing Sources (Uses)	(8,460)	12,801,157	244,475	13,037,172
Net Change in Fund Balances	(154,736)	12,846,713	56,638	12,748,615
Fund Balances - Beginning	1,256,033	--	2,439,640	3,695,673
Fund Balances - Ending	$ 1,101,297	$ 12,846,713	$ 2,496,278	$ 16,444,288

The accompanying notes are an integral part of this statement.

TOWN OF PANTEGO, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Net change in fund balances - total governmental funds	$	12,748,615
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:		
Capital outlays are not reported as expenses in the SOA.		435,426
The depreciation of capital assets used in governmental activities is not reported in the funds.		(707,542)
Trade-in or disposal of capital assets decrease net position in the SOA but not in the funds.		(349,415)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.		(16,583)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.		105,000
Repayment of right-to-use lease principal is an expenditure in the funds but is not an expense in the SOA.		58,955
(Increase) decrease in accrued interest from beginning of period to end of period.		(132,383)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.		16,382
Certain fine revenues are deferred in the funds. This is the change in these amounts this year.		22,450
Certain ambulance receivables are deferred in the funds. This is the change in these amounts this year.		14,032
Revenues in the SOA for franchise taxes not providing current financial resources are not reported in the funds.		12,815
Proceeds of bonds do not provide revenue in the SOA, but are reported as current resources in the funds.		(12,425,000)
Bond premiums are reported in the funds but not in the SOA.		(890,017)
Bond discounts are reported in the funds but not in the SOA.		164,686
Proceeds of right-to-use leases do not provide revenue in the SOA, but are reported as current resources in the funds.		(177,616)
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.		(162,111)
Implementing GASB 75 required certain expenditures to be de-expended and recorded as deferred resource outflows.		8,743
Change in net position of governmental activities - Statement of Activities	$	(1,273,563)

The accompanying notes are an integral part of this statement.

TOWN OF PANTEGO, TEXAS
STATEMENT OF NET POSITION
ENTERPRISE FUND
SEPTEMBER 30, 2023

	Enterprise Fund Water and Sewer Fund
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	$ 601,066
Receivables (net of allowances for uncollectibles):	
Accounts	239,912
Inventories	149,289
Restricted assets	
Cash and Cash Equivalents	119,141
Total Current Assets	1,109,408
Noncurrent Assets:	
Land	61,971
Construction in Progress	397,690
Improvements Other Than Buildings	8,629,401
Less Accumulated Depreciation	(3,272,138)
Total Noncurrent Assets	5,816,924
Total Assets	6,926,332
DEFERRED OUTFLOWS OF RESOURCES:	
Employee pensions	272,239
Other post empoyment benefits	3,125
Total Outflows of Resources	275,364
LIABILITIES:	
Current Liabilities:	
Accounts payable	87,977
Current Liabilities Payable from Restricted Assets:	
Customer Deposits	119,141
Total Current Liabilities	207,118
Noncurrent Liabilities:	
Net Pension Liability	300,837
Net Opeb Liability	15,496
Total Noncurrent Liabilities	316,333
Total Liabilities	523,451
DEFERRED INFLOWS OF RESOURCES:	
Employee pensions	94,934
Other post employment benefits	7,367
Total Inflows of Resources	102,301
NET POSITION:	
Net Investment in Capital Assets	5,816,924
Unrestricted	759,620
Total Net Position	$ 6,575,944

The accompanying notes are an integral part of this statement.

TOWN OF PANTEGO, TEXAS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Enterprise Fund Water and Sewer Fund
OPERATING REVENUES:	
Charges for Sales and Services:	
Water sales	$ 491,281
Sewer charges	477,421
Groundwater conversation fees	17,803
Infrastructure improvement fees	267,564
Late payment charges	16,256
Miscellaneous	6,131
Total Operating Revenues	1,276,456
OPERATING EXPENSES:	
Personnel	484,224
Utilities	116,711
Maintenance and repairs	160,474
Franchise fees	59,716
Other	25,840
Sewage treatment - other governments	357,906
Depreciation	308,083
Total Operating Expenses	1,512,954
Operating Income	(236,498)
NON-OPERATING REVENUES (EXPENSES):	
Investment earnings	37,024
Other income	345
Total Non-operating Revenues (Expenses)	37,369
Income before Transfers	(199,129)
Transfers In	568,545
Change in Net Position	369,416
Total Net Position - Beginning	6,206,528
Total Net Position - Ending	$ 6,575,944

The accompanying notes are an integral part of this statement.

EXHIBIT A-9

TOWN OF PANTEGO, TEXAS

STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Enterprise Water and Sewer Fund
Cash Flows from Operating Activities:	
Cash Received from Customers	$ 1,442,708
Cash Payments to Employees for Services	(465,396)
Cash Payments to Other Suppliers for Goods and Services	(748,796)
Net Cash Provided (Used) by Operating Activities	228,516
Cash Flows from Non-capital Financing Activities:	
Transfers From (To) Other Funds	568,545
Net Cash Provided (Used) by Non-capital Financing Activities	568,545
Cash Flows from Capital and Related Financing Activities:	
Acquisition or Construction of Capital Assets	(883,696)
Net Cash Provided (Used) for Capital & Related Financing Activities	(883,696)
Cash Flows from Investing Activities:	
Interest and Dividends on Investments	37,024
Net Cash Provided (Used) for Investing Activities	37,024
Net Increase (Decrease) in Cash and Cash Equivalents	(49,611)
Cash and Cash Equivalents at Beginning of Year	769,818
Cash and Cash Equivalents at End of Year	$ 720,207
Reported on Statement of Net Position:	
Unrestricted cash	$ 601,066
Restricted cash	119,141
	$ 720,207
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	$ (236,498)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation	308,083
Other income	345
Change in Assets and Liabilities:	
Decrease (Increase) in Receivables	167,923
Decrease (Increase) in Other Receivables	--
Decrease (Increase) in Inventories	(24,246)
Decrease (Increase) in Deferred Resource Outflows Pension	(206,491)
Decrease (Increase) in Deferred Resource Outflows OPEB	886
Increase (Decrease) in Accounts Payable	(3,904)
Increase (Decrease) in Customer Deposits	(2,015)
Increase (Decrease) in Net Pension Liability	286,236
Increase (Decrease) in Net OPEB Liability	(6,604)
Increase (Decrease) in Deferred Resource Inflows Pension	(60,036)
Increase (Decrease) in Deferred Resource Inflows OPEB	4,837
Total Adjustments	465,014
Net Cash Provided (Used) by Operating Activities	$ 228,516

The accompanying notes are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Pantego, Texas (the "Town") was incorporated January 5, 1952, and operates under a Council-Manager form of government providing the following services as a duly incorporated general law city as authorized by the general laws of the State of Texas and subsequent Town ordinances: public safety (police, fire and ambulance), streets and bridges, sanitation, water and sewer, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Town of Pantego, Texas, conform to generally accepted accounting principles issued by the Governmental Accounting Standards Board, which is the recognized financial accounting standard setting body of governmental entities. The notes to the financial statements are an integral part of the Town's financial statements.

As required by Generally Accepted Accounting Principles (GAAP), these financial statements present the Town and its component units, entities for which the Town is considered financially accountable or other organizations whose nature and significant relationship with the Town are such that exclusion would cause the Town's financial statements to be misleading or incomplete. The Town is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial burden on the Town.

The financial statements include one discretely presented component unit which has a September 30th year-end. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Town.

Discretely Presented Component Unit

The Pantego Economic Development Corporation (PEDC) was created under the Development Corporation Act of 1979 and is governed by Section 4B of the Act. The PEDC is governed by a Board of Directors comprised of appointed members of Town Council and members appointed by the Town Council. Capital improvement projects undertaken by the PEDC are for the benefit of the Town. The PEDC may not issue debt without approval of the voters of the Town and the Town Council. The Town must approve changes to the PEDC's articles of incorporation, may unilaterally terminate the PEDC and has residual interest in the net position of the PEDC The PEDC activities are reported herein as the PEDC Sales Tax Revenue Special Revenue Fund, PEDC Debt Service Fund, and PEDC Operating Fund. The PEDC is reported as a discretely presented component unit in the statement of net positions and statement of activities.

Flow of Revenue – PEDC – Sales tax is the significant source of revenue for PEDC Sales tax receipts are initially recorded in the PEDC Sales Tax Revenue fund as sales tax revenue. Transfers are used to transfer cash to the PEDC Debt Service fund as needed to maintain a required reserve and to make debt service payments as they become due. Transfers are also used to transfer cash in excess of debt service needs to the PEDC Operating fund.

Governmental accounting standards require reasonable separation between the primary government and it's discretely presented component units, both in the financial statements and in the related notes. Because discretely presented component units, although legally separate, have been and are operated as if each is part of the primary government, there are limited instances where special note reference or separation will be required. If no separate note reference or categorization is made, the user should assume that information presented is equally applicable.

B. Government-wide and Basic Financial Statements

The basic financial statements include both government-wide financial statements (based on the Town as a whole) and fund financial statements. The focus is on either the Town as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is being measured and basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures and expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property, franchise, sales and investment income (including unrealized gains and losses) are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *2023 Capital Projects Fund* was created to account for expenditures to provide upgrades to the Town's water system. The Certificates of Obligation are currently being serviced by ad valorem taxes.

The Town reports the following major enterprise fund:

The *Water and Sewer Fund* is used to account for the provision of water and sewer services to residents of the Town. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, capital improvements, billing and collection.

Additionally, the Town reports the following fund types:

Special Revenue Funds account for specific revenue sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Capital Projects Funds account for resources to be used for the construction of capital assets, or for the acquisition of replacement equipment.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and wastewater fund and various other funds of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various funds concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes, miscellaneous revenue and interest income.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first and then unrestricted resources as they are needed.

D. Assets, Liabilities, Deferred Outflows/Inflows, Fund Balance and Net Position

1. Cash and Cash Equivalents – The Town pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments that are highly liquid with maturity within three months or less when purchased. Amounts invested in Tex-Pool public investment pools are considered cash and cash equivalents. Assets reported as cash and investments are considered cash and cash equivalents for the statement of cash flows.

2. Receivables and Payables – Interfund transactions result between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances" line of the government wide statement of net position.

3. Unbilled Service – Utility operating revenues (water and sewer) are billed on monthly cycles. The Town records estimated revenues for services delivered during the fiscal year, which will be billed during the next fiscal year. Accounts receivable in the water and sewer fund includes $92,025 of earned but unbilled revenue.

4. Inventory and prepaid items – Inventories consist of expendable supplies held for consumption. The inventory of supplies are recorded under the purchase method. Under the purchase method the inventory is first recorded as an expense when purchased and then adjusted at the end of the year to reflect the value of inventory to date. Inventories, which are expensed as they are consumed, are stated at cost. In the General Fund, certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the government wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5. Capital assets – Capital assets, which include land, buildings, improvements, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), purchased or acquired, are carried at historical cost or estimated historical cost if historical cost is not available. Donated capital assets, donated works of art and similar items, and any capital assets received in a service concession arrangement are reported at acquisition value, as of the date of donation. Additions, improvements, and other capital outlays that

significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed.

The Town defines capital assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Intangible assets with definite lives are recorded at cost and amortized over the useful lives. Intangible assets with indefinite lives are recorded at cost and no amortization is taken.

Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

Buildings	5 – 50 years
Improvements other than buildings	3 – 30 years
Machinery, equipment and furniture	3 – 10 years
Water & sewer system infrastructure	5 – 50 years
Street and storm drainage infrastructure	10 – 40 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest accrued during the construction phase of capital assets of business-type activities is capitalized.

6. Compensated absences – It is the Town's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick benefits. No sick pay benefits are paid upon separation from service and therefore have not been accrued in the financial statements. All vacation pay benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and/or retirements.

7. Long-term Obligations – In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed.

   In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Deferred outflows/inflows of resources – Deferred outflows and inflows of resources are reported in the statement of financial position as described below:
   Deferred outflows of resources represent a consumption of net assets that applies to future periods. and deferred inflows of resources represent an acquisition of net assets that applies to future periods. The Town has two items which qualify for reporting in this category:

   Deferred outflows of resources for employee pensions -- Reported in the government wide financial statement of net position, these deferred outflows resulting primarily from differences between projected and actual earnings on pension plan investments. These amounts will be amortized over a closed five year period. This deferred outflow results from pension plan contributions made after the measurement date of the net pension liability. The deferred outflow of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year.

Deferred inflows of resources for other post employment benefits – Reported in the government wide financial statement of net position, these deferred outflows resulting primarily from differences between projected and actual earnings on opeb plan investments. These amounts will be amortized over a closed five year period.

Deferred inflows of resources represent an acquisition of net assets that applies to future periods. The Town has three items which qualify for reporting in this category:

Deferred inflows of resources for unavailable (deferred) revenues – Reported only in the governmental funds balance sheet for unavailable revenues from property taxes, franchise taxes, ambulance services and municipal court fines and forfeitures under the modified accrual basis of accounting. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

Deferred inflows of resources for employee pensions – Reported in the government wide financial statements of net position and in the statement of net position for proprietary funds. The employee pension related deferred inflow of resources will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.

Deferred inflows of resources for other poste employment benefits (opeb) – Reported in the government wide financial statements of net position and in the statement of net position for proprietary funds. The opeb deferred inflow of resources will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with these benefits pensions through the opeb plan.

10. Fund Balance – Governmental Funds – Fund balance is divided into five classifications based primarily on the extent to which the Town is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form (such as prepaids and inventory) or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments imposed or is imposed by law through constitutional provisions or enabling legislation. Legal enforceability means that the Town can be compelled by an external party, such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed – The committed fund balance classifications includes amounts that can be used only for the specific purposed imposed by formal action, a resolution of Town ordinance, of the Town Council. Those committed amounts cannot be used for any other purpose unless Town Council removes or changes the specified use by taking the same formal action it employed to previously commit those amounts.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. The Town Council has the authority to assign amounts for specific purposes.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Town applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, or unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Minimum Fund Balance Policy – It is the goal of the Town that unassigned fund balance of the General Fund should be at least 90 days (24.66%) of General Fund annual expenditures. In order to adhere to the principles of matching current revenues with current expenditures and minimizing property taxes, the Town will take action to reduce the fund balance, as stated in the Town's current financial policy, if the unassigned fund balance grows beyond 120 days of expenditures. As of September 30, 2023 the General Fund had approximately 78 days or 21.3% of annual expenditures in the unassigned fund balance.

11) Net Position – Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

12) Management's Use of Estimates – The preparation of financial statements, in conformity with Generally Accepted Accounting Principles, requires management to make estimates and assumptions that affect the reported amounts of assets, deferred resource outflows, liabilities, deferred resource inflows, and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

13) Reclassifications – Certain accounts and funds in the prior fiscal year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

The Town follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Public hearings are conducted to obtain taxpayer comments.

2. Prior to October 1, the budget is legally enacted through passage of an ordinance.

3. The Town Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Town Council. Therefore the fund level is the legal level of control.

4. Formal budgetary integration is employed as a management control device during the year. The legally adopted budgets for the General Fund, Court House Security Special Revenue Fund, Court Technology Special Revenue Fund, Shamburger Special Revenue Fund, and the Debt Service Fund are adopted on a basis consistent with generally accepted accounting principles.

5. Budgeted amounts are as originally adopted or as amended by the Town Council. During 2023, individual amendments were not material in relation to the original appropriations. Any budgeted amounts appropriated at fiscal year-end and not spent automatically lapse.

6. Capital Project funds, as presented, are not budgeted since project length financial plans usually extend into two or more fiscal years, making comparisons for a single year statement confusing.

B. Deficit fund equity

There were no fund deficits at September 30, 2023.

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Cash Equivalents

Substantially all operating cash and investments are maintained in consolidated cash and investment accounts. Investment income related to consolidated investments is allocated to the individual funds monthly based on the funds' pro-rata share of total cash and investments. Cash and investments as of September 30, 2023, are

classified in the statement of net position as cash and cash equivalents and restricted cash and cash equivalents. Cash and cash equivalents as of September 30, 2023 consist of the following:

At September 30, 2023, the Town had the following investments which are considered cash equivalents:

	Fair Value	Weighted Average Maturity (Days)
Investment Type		
TexPool	$ 3,657,774	45
Logic	13,949,248	45
Cash	1,800,787	
Total cash and cash equivalents	$ 19,407,809	

Cash and cash equivalents are reported in the:

Statement of net position as follows:	
Governmental activities unrestricted	$ 16,422,629
Governmental activities restricted	--
Business-type activities unrestricted	601,066
Business-type activities restricted	119,141
Total Town	17,142,836
PEDC Discrete Component Unit	2,264,973
	$ 19,407,809

B. Deposits

State statutes authorize the Town's cash to be deposited in demand deposits, time deposits, or certificates of deposit, and require that all deposits be fully collateralized or insured. The depository bank places approved pledged securities for safekeeping and trust with the Town's agent bank in an amount sufficient to protect the Town's funds on at day-to-day basis. At year end, the carrying amount of the Town's cash on hand and deposits was $1,800,788. All of the bank balance of $1,812,362 was covered by federal deposit insurance and collateralized by the pledging financial institution with marketable securities held by an agent in the bank's name.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town's policy requires that all deposits with financial institutions must be collateralized to the extent not protected by the Federal Deposit Insurance Corporation ("FDIC") insurance. The PEDC deposits are secured by a separate pledge of securities and FDIC insurance. At September 30, 2023, the Town's deposits and those of the Pantego Economic Development Corporation were covered by FDIC insurance or by collateral held by the bank's agent in the Town's name.

Investments

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the Town to adopt, implement and publicize an investment policy. This policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities and (9) bid solicitation references for certificates of deposit.

The Town's investment policy authorizes the Town to invest in obligations of the United States government and its agencies and instrumentalities, fully insured or collateralized certificates of deposit, repurchase agreements not to exceed 90 days to stated maturity, AAA-rated, SEC registered money market funds, AAA-rated Texas local government investment pools, and other interest bearing accounts at the Town's depository. During the year ended September 30, 2023, the Town did not own any types of securities other than those permitted by statute.

The Town invests idle funds in the Texas Local Government Investment Pools: TexPool, TexPool Prime, and Logic. These government investment pools operate in a manner consistent with the SEC's Rule 2A7 of the Investment Act of 1940. The Pools are required to maintain market value of its underlying investment portfolio within one half of one percent of the value of its shares.

Interest Rate Risk – Interest rate risk is the risk that changes in the market place will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In order to limit interest and market rate risk from changes in interest rates, the Town of Pantego's adopted Investment Policy sets the weighted average maturity (WAM) limit to one (1) year for operating funds and two (2) years for non-operating funds.

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized rating agency. A primary stated objective of the Town of Pantego's adopted Investment Policy is the safety of principal and avoidance of principal loss. The Town controls risk by limiting its investments to those instruments allowed by its investment policy.

Concentration Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. It is the policy of the Town of Pantego to diversify its investment portfolios. Whenever practical, assets held in the common investment portfolio shall be diversified to minimize the risk of loss resulting from one concentration of assets in a specific maturity, a specific issuer, or a specific class of securities.

Custodial Credit Risk – *Investments* - In order to control custody and safekeeping risk State law and the Town of Pantego's adopted Investment Policy requires collateral for all time and demand deposits, as well as collateral for repurchase agreements, be transferred delivery versus payment and held by an independent party approved by the Town and held in the Town's name. The custodian is required to provide original safekeeping receipts and monthly reporting of positions with position descriptions including market value. Repurchase agreements and deposits must be collateralized to 102% and be executed under written agreements. Depository agreements are executed under the terms of U.S. Financial Institutions Resource and Recovery Enforcement Act ("FIRREA"). The counter-party of each type transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

C. Property Tax

The Town's property taxes are levied on October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the Town. Property taxes attach as an enforceable lien on property as of January 1 and are levied for appropriation for the fiscal year beginning October 1. Taxes are due by January 31 following the October 1 levy date and are considered delinquent after January 31 of each year. Taxes unpaid as of February 1 are subject to penalty and interest as provided by the Texas Property Tax Code.

Property taxes are accrued based on the period for which they are levied and available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay current liabilities. Taxes not expected to be collected within sixty days of the fiscal year-end are recorded as deferred revenues and are recognized when they become available. Taxes collected prior to the levy date to which they apply are recorded as deferred revenues and recognized as revenue in the period to which they apply.

General property taxes are limited by the Texas Constitution to $2.50 per $100 of assessed valuation. The combined tax rate to finance general governmental services and debt service for the Town of Pantego for the year ended September 30, 2023 was $0.475931 per $100 of assessed valuation.

D. Receivables and Deferred Revenues

All receivables are shown net of allowance for uncollectible accounts. The allowances for uncollectible accounts are based upon historical experience. Property tax and municipal court allowance for uncollectible accounts are equal to approximately 60% and 15% of the outstanding balance at September 30, and the

ambulance allowance consists of accounts aged more than 120 days. The allowance for the water and sewer accounts receivable is equal to the accounts receivable that are aged ninety days or more as of September 30.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Receivables and deferred revenue as of September 30, 2023 for the government's individual major funds, and non-major funds in the aggregate, including the applicable allowances for uncollectible amounts, are as follows:

	General	Projects	Governmental	Total Governmental	Water & Sewer	Component Unit
Property tax	$ 97,413	$ --	$ 16,513	$ 113,926	$ --	$ --
Allowance	(58,448)	--	(9,908)	(68,356)	--	--
	$ 38,965	$ --	$ 6,605	$ 45,570	$ --	$ --
Sales tax	$ 339,616	$ --	$ 67,923	$ 407,539	$ --	$ 135,846
Franchise tax	$169,662	$ --	$ --	$169,662	$ --	$ --
Fines	$ 956,493	$ --	$ --	$ 956,493	$ --	$ --
Allowance	(149,253)	--	--	(149,253)	--	--
	$ 807,240	$ --	$ --	$ 807,240	$ --	$ --
Accounts	$ 254,687	$ --	$ --	$ 254,687	$ 276,366	$ --
Allowance	(216,274)	--	--	(216,274)	(36,454)	--
	$ 38,413	$ --	$ --	$ 38,413	$ 239,912	$ --
Other	$ 46,086	$ 4,708	$ --	$ 50,794	$ --	$ --
Allowance	(3,998)	--	--	(3,998)	--	--
	$ 42,088	$ --	$ --	$ 46,796	$ --	$ --

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned
Delinquent property taxes receivable (General Fund)	$ 34,031	$ --
Franchise taxes (General Fund)	155,377	--
Fines receivable (General Fund)	223,879	--
Ambulance (General Fund)	38,413	--
Delinquent property taxes receivable (Debt Service Fund)	6,096	--
Total deferred/unearned revenue for governmental funds	$ 457,796	$ --

The Pantego Economic Development Corporation (PEDC) component unit provides loans towards assisting businesses with improvements to the borrower's property. Notes receivable for the year ended September 30, 2023 are as follows:

$20,000 loan dated June 1, 2017, at 3% payable in equal monthly Installments of $442.69 over three (3) years beginning June 1, 2017, secured by the furniture, fixtures and equipment of the borrower.

Total loan receivable	$11,544
Less allowance	11,544
Net loan receivable	(11,544)
	$ --

As of September 30, 2023, $11,544 of PEDC loans were past due. Management believes the past due balances are collectible, however an allowance has been recorded in the amount of the loan receivable.

E. Interfund Receivables, Payables and Transfers

Inter-fund transfers are reported in the governmental activities and proprietary fund financial statements.

In the government-wide statements, inter-fund transfers are eliminated within the governmental activities column and business-type column, as appropriate.

Fund	Transfers In	Transfers Out
Major Governmental Funds		
General Fund	$ 8,790	$ 8,460
Equipment Replacement Fund	8,460	
2023 Capital Projects		349,174
Nonmajor Governmental Funds		
FSA/HRA Administration		8,790
Corona Virus State and Local Recovery		219,371
Enterprise Fund	568,545	--
Totals	$ 585,795	$ 585,795

Transfers are primarily used to (1) move revenues collected in the special revenue funds to finance various programs in accordance with budgetary authorizations, (2) move receipts restricted for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) transfer additional funds, (4) contribute toward the cost of capital projects, and (5) other operational purposes.

F. Capital Assets

Capital asset activity for the year ended September 30, 2023:

Primary Government

	Balance 9/30/22	Additions	Retirements	Transfers	Inventory Adjustment	Balance 9/30/23
GOVERNMENTAL ACTIVITIES:						
Capital assets, not being depreciated:						
Land	$ 211,263	$ --	$ --	$ --	$ --	$ 211,263
Construction in progress	18,628	3,546	--	--	--	22,174
	229,891	3,546	--	--	--	233,437
Capital assets, being depreciated:						
Buildings	2,217,413	--	(4,998)	--	--	2,212,415
Improvements other than buildings	2,459,566	--	(25,138)	--	--	2,434,428
Machinery and equipment	3,924,494	254,264	(1,514,235)	--	--	2,664,523
Leased equipment	221,102	177,616	--	--	--	398,718
Infrastructure	11,157,963	--	--	--	--	11,157,963
Total capital assets being depreciated	19,980,538	431,880	(1,544,371)	--	--	18,868,047
Less accumulated depreciation for:						
Buildings and improvements	(1,474,789)	(58,441)	4,998	--	--	(1,528,232)
Improvements other than buildings	(1,378,430)	(136,275)	25,138	--	--	(1,489,567)
Machinery and equipment	(2,786,143)	(207,615)	1,164,819	--	--	(1,828,939)
Leased equipment	(9,501)	(66,124)	--	--	--	(75,625)
Infrastructure	(8,598,588)	(239,087)	--	--	--	(8,837,675)
Total accumulated depreciation	(14,247,451)	(707,542)	1,194,955	--	--	(13,760,038)
Net capital assets being depreciated	5,733,087	(275,662)	(349,416)	--	--	5,108,009
Capital assets, net	$ 5,962,978	$ (272,116)	$ (349,416)	$ --	$ --	$ 5,341,446

	Balance 9/30/22	Additions	Retirements	Transfers	Inventory Adjustments	Balance 9/30/23
BUSINESS-TYPE ACTIVITIES:						
Capital assets, not being depreciated:						
Land	$ 61,971	$ 322,490	$ --	$ --	$ --	$ 384,461
Construction in progress	820,965	246,055	--	(669,330)	--	397,690
Total capital assets not being	882,936	568,545	--	(669,330)	--	782,151
Capital assets, being depreciated:						
Improvements other than buildings	7,987,493	315,152	(665,064)	669,330	--	8,306,911
Total capital assets being depreciated	7,987,493	315,152	(665,064)	669,330	--	8,306,911
Less accumulated depreciation for:						
Improvements other than buildings	(3,629,118)	(308,084)	665,064	--	--	(3,272,138)
Total accumulated depreciation	(3,629,118)	(308,084)	665,064	--	--	(3,272,138)
Capital assets being depreciated, net	4,358,375	7,068	--	--	--	5,034,773
Capital assets, net	$5,241,311	$ 575,613	$ --	$ --	$ --	$5,816,924

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 27,372
Public works	415,489
Community development	19,598
Police	111,770
Fire	130,362
Municipal court	2,951
Total depreciation expense - governmental activities	$ 707,542
Business-type activities:	
Water and sewer	$ 308,084

The Pantego Economic Development Corporation (PEDC) occasionally funds public infrastructure improvements. When the construction is completed the capital assets are contributed to the governmental or business-type activities. The following is a summary of changes in the component unit capital assets during the fiscal year ended September 30, 2023:

	Balance 9/30/22	Additions	Retirements	Completed Construction	Balance 9/30/23
COMPONENT UNIT:					
Capital assets, not being depreciated:					
Construction in progress	$ -	$ 39,856	$ --	$ --	$ 39,856
Total capital assets not being	--	39,856	--	--	39,856
Capital assets, being depreciated:					
Improvements other than buildings	360,420	148,056	--	--	508,476
Accumulated depreciation	(115,304)	(45,966)	--	--	(161,270)
Capital assets, being depreciated net	245,116	102,090	--	--	347,206
Component unit capital assets	$ 245,116	$ 141,946	$ --	$ --	$ 387,062

G. Construction commitments

The Town has active construction projects as of September 30, 2023, consisting of a court relocation project, various water system improvements, crosswalk project.

Project	Spent to Date	Remaining Commitment
Court Relocation Project	$ 22,174	$ 69,804
Total governmental funds	22,174	69,804
Water transition rate study	27,246	--
Arlington Water Transition Study	55,577	--
Cholramine transition study	31,588	--
New well and reserve osmosis system	283,279	10,093,406
Water and Sewer Fund	397,690	10,093,406
	$ 419,682	$ 10,163,210

The court relocation and water improvements are being financed by operations and bond proceeds.

The component unit has spent $39,855 pm the Park Row crosswalk project to date, but has not committed to additional funds at this time.

H. Long-term Debt and Obligations

The Town of Pantego and the PEDC component unit have issued general obligation bonds, certificates of obligation bonds and sales tax revenue bonds to provide funds for the acquisition and construction of major capital facilities. The general obligation refunding bonds and certificates of obligation bonds are paid by the debt service fund, the G.O. Bonds Interest and Sinking Debt Service Fund, and the sales tax revenue bonds are paid by the PEDC Debt Service Fund.

All taxes levied and collected for and on account of said bonds are pledged to the Debt Service Fund in amounts authorized by the Town Council. The ordinances authorizing the issuance of the General Obligation

Refunding Bonds and the Combination Tax and Limited Pledge Revenue Certificates of Obligation require that the Town's ad valorem tax revenues be enough to generate net revenues sufficient to provide for the payment of the debt service requirements of the bonds issued. At September 30, 2023, this requirement had been met. As of September 30, 2023, the Town had no authorized but unissued bonds.

General Obligation Debt Outstanding as of September 30, 2023, is as follows:

Description	Original Amount	Year of Issue	Final Maturity	Interest Rate	Balance 9/30/23
Governmental Activities					
Certificates of Obligation Bonds:					
Tax and Revenue, Series 2019	$2,735,000	2019	2040	3.00%	$ 2,360,000
Tax and Revenue, Series 2023	12,425,000				12,425,000
Total Governmental Activities General Obligation Debt					$ 14,785,000

Annual debt service requirements to maturity for general debt:

	Governmental Activities		
Year	Principal	Interest	Total
2024	$ 390,000	$ 744,732	$ 1,134,732
2025	495,000	639,313	1,134,313
2026	515,000	616,688	1,131,688
2027	540,000	593,163	1,133,163
2028	565,000	568,563	1,133,563
2029-2033	3,230,000	2,429,988	5,659,988
2034-2038	4,045,000	1,613,188	5,658,188
2039-2043	5,005,000	638,088	5,643,088
Total	$ 14,785,000	$ 7,843,723	$ 22,628,723

Sales Tax Revenue Bonds Outstanding as of September 30, 2023, are as follows:

Description	Original Amount	Year of Issue	Final Maturity	Interest Rate	Balance 9/30/23
Component Unit					
Sales Tax Revenue Bonds:	$1,285,000	2023	2044	4.25-5.00	$ 1,285,000

Annual debt service requirements to maturity for sales tax debt:

	Component Unit		
Year	Principal	Interest	Total
2024	$ --	$ 52,447	$ 52,447
2025	40,000	59,187	99,187
2026	40,000	57,187	97,187
2027	45,000	55,187	100,187
2028	45,000	52,938	97,938
2029-2033	270,000	227,688	497,688
2034-2038	335,000	158,950	493,950
2039-2043	510,000	83,250	593,250
Total	$ 1,285,000	$ 746,834	$ 2,031,834

I. CHANGES IN LONG-TERM LIABILITIES

During the year ended September 30, 2023, the following changes occurred in liabilities reported in the general long-term debt:

	Balance 9/30/22	Additions	Retirements	Balance 9/30/23	Due Within One Year
Governmental activities:					
Certificates of obligation	$ 2,465,000	$12,425,000	$ (105,000)	$14,785,000	$ 390,000
Premium	77,448	890,017	(26,438)	941,027	49,277
Discount	(23,970)	(164,686)	5,570	(183,086)	(9,687)
	2,518,478	13,150,331	(125,868)	15,542,941	429,590
Leases	195,906	177,616	(58,955)	314,567	68,067
Net pension liability	120,095	2,354,315	--	2,474,410	--
Net OPEB liability	181,777		(127,452)	54,325	--
Compensated absences	229,322	212,939	(229,322)	212,939	212,939
Governmental activity Long-Term	$ 3,245,578	$15,895,201	$ (541,597)	$18,599,182	$ 710,596
Business-type activities:					
Net pension liability	$ 14,601	$ 271,635	--	$ 286,236	$ --
Net OPEB liability	22,100	--	(15,496)	6,604	--
Total business activities Long-Term	$ 36,701	$ 271,635	$ (15,496)	$ 292,840	$ --
Component Unit:					
Sales tax revenue bonds	$ --	$ 1,285,000	--	$ 1,285,000	$ --
Total component unit Long-Term	$ --	$ 1,285,000	$ --	$ 1,285,000	$ --

For the governmental activities, claims and judgments, compensated absences, pension, and OPEB liabilities are generally liquidated by the general fund.

Authorized and Unissued Debt

The Town has no authorized but unissued debt at September 30, 2023.

Arbitrage payable - The Tax Reform Act of 1986 requires that the excess interest earned on tax exempt bo nd proceeds over interest cost must be remitted to the federal government. The arbitrage liability is payable to the federal government every five years; however, the Town calculates and records its arbitrage liability annually. The arbitrage liability is recorded as a liability in the government-wide and proprietary fund financial statements, as applicable, on the accrual basis of accounting. At September 30, 2023, the Town had no arbitrage liability.

J. Sewer Contracts

The Town has contracts with the City of Fort Worth and City of Arlington for the treatment of wastewater. The contracts require the Town to pay varying amounts based on the costs associated with the wastewater treated. Charges for wastewater treatment during fiscal year 2023 were $192,588 for Fort Worth and $165,318 for Arlington.

K. Risk management

The Town is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Town had general liability coverage at a cost `that is considered to be economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool ("TML"). TML is a self-funded pool operating as a common risk management and insurance program. The Town pays an annual premium to TML for its above insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category has its own level of reinsurance. The Town continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

L. Contingent Liabilities and Commitments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

M. Retirement Commitments

1. Plan Description

The Town participates as one of 866 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

All eligible employees of the Town are required to participate in TMRS.

2. Benefits

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the Town, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the Town-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Employees covered by benefit terms.

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees (or their beneficiaries) currently receiving benefits	68
Inactive employees entitled to but not yet receiving benefits	96
Active employees	45
	209

3. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the Town matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the Town. Under the state law governing TMRS, the contribution rate for each Town is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the Town were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the Town were 15.70% and 15.21% in calendar years 2022 and 2023, respectively. The Town's contributions to TMRS for the year ended September 30, 2023, were $514,304 and were equal to the required contributions.

4 Net Pension Liability

The Town's Net Pension Liability (NPL) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum 15 mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in

2019 and first used in the December 31, 2109 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Global Equity	35.00%	7.50%
Core Fixed Income	6.00%	4.90%
Non-Core fixed income	20.00%	8.70%
Other Public and Private Markets	12.00%	8.10%
Real estate	12.00%	5.80%
Hedge Funds	5.00%	6.90%
Private equity	10.00%	11.80%
	100.00%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the net pension liability

	Increase (Decrease)		
	Total Pension Liability [a]	Plan Fiduciary Net Position [b]	Net Pension Liability [c]
Balance at 12/31/21	$17,838,629	$17,703,934	$134,695
Changes for the year:			
Service cost	575,536	--	575,536
Interest	1,188,932	--	1,188,932
Change of benefit terms	--	--	--
Difference between expected and actual experience	295,833	--	295,833
Changes of assumptions	--	--	--
Contributions - employer	--	490,016	(490,016)
Contributions - employees	--	218,479	(218,479)
Net investment income	--	(1,290,907)	1,290,907
Benefit payments including refunds of employee	(1,025,181)	(1,025,181)	--
Amortization of prior year assets	--	--	--
Administrative expense	--	(11,183)	11,183
Other changes	--	13,344	(13,344)
Net changes	1,035,120	(1,605,432)	2,640,552
Balance at 12/31/22	$18,873,749	$16,098,502	$2,775,247

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the Town, calculated using the discount rate of 6.75%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Total Pension Liability	$21,544,191	$18,873,749	$16,707,191
Plan Fiduciary Net Position	16,098,502	16,098,502	16,098,502
Net Pension Liability/(Asset)	$5,445,689	$2,775,247	$608,689

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended September 30, 2023, the Town recognized pension expense of $514,304. At September 30, 2023, the Town reported deferred outflows and inflows of resources related to pensions from the following sources. Contributions made after the measurement date of the net pension liability but before the end of the employer's or governmental nonemployer contributing entity's reporting period will

be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period.

	Total Remaining (Inflow) Outflow of Resources	Date Established	Original Recognition Period	Amount Amount Recognized in Expense 12/31/22	Balance of Deferred (Inflows) 12/31/22	Balance of Deferred (Inflows)/Outflows 12/31/2022
Due to liabilities:						
Difference in expected & actual experience						
(actuarial (gains) or losses)	$ 295,833	12/31/22	1.8200	$ 157,358	--	$ 138,475
	(102,399)	12/31/21	1.0000	(102,399)	--	--
Difference in assumption changes						
(actuarial (gains) or losses)	--	12/31/22	0.0000	--	--	--
				54,959	--	138,475
Due to assets:						
Difference in projected & actual earnings on						
pension plan reserves (actuarial (gains)/losses)	2,485,923	12/21/22	5.0000	497,185	--	1,988,738
	(998,607)	12/31/21	4.0000	(199,722)	(599,163)	--
	(99,577)	12/31/20	3.0000	(24,894)	(49,789)	--
	(680,475)	12/31/19	2.0000	(226,825)	(226,825)	--
	538,632	12/31/18	1.0000	269,315	--	--
				315,059	(875,777)	1,988,738
Employer contributions made subsequent to						
measurement date				--	--	384,213
				$ 370,018	$ (875,777)	$ 2,511,426

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Deferred Inflows/outflows to Be Recognized in Future Years

Year ended December	
2023	$184,219
2024	272,568
2025	297,466
2026	497,183
2027	--
	$1,251,436

N. Other Postemployment Benefits

1. Plan Description

Texas Municipal Retirement System (TMRS) administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including retirees. The Town may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1. The SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is

considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single-employer, defined benefit OPEB plan with benefit payments treated as being equal to the employer's yearly contribution for retirees.

2. Benefits Provided

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's actual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for $7,500; this coverage is an "other postemployment benefit" or OPEB.

*Employees covered by benefit terms**

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees (or their beneficiaries) currently receiving benefits	30
Inactive employees entitled to but not yet receiving benefits	11
Active employees	45
	86

* Membership counts for inactive employees currently receiving or entitled to but not yet receiving benefits will differ from GASB 68 as they include only those eligible for a SDBF benefit (i.e. excludes beneficiaries, non-vested terminations due a refund, etc.)

3. Total OPEB Liability

The Town's total OPEB liability of $142,948 was measured as of December 31, 2022, and was determined by an actuarial valuation as of that date.

Actuarial assumptions –

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.5% to 11.5% including inflation
Discount rate	4.05%
Retirees' share of benefit related costs	$ --

The discount rate was based on the Fidelity Index "20-Year Municipal GO AA Index" rate as of December 31, 2022.

Mortality rates – service retirees

2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.

Mortality rates – disabled retirees

2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

Changes in the Total OPEB Liability

Changes in the Total OBEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at 12/31/21	$ 203,877	$ --	$ 203,877
Changes for the year:			
Service cost	16,542	--	16,542
Interest	3,872	--	3,872
Change of benefit terms	--	--	--
Effect of economic/demographic gains or losses	1,454	--	1,454
Changes of assumptions	(79,364)		(79,364)
Benefit payments	(3,433)	(3,433)	--
Employer contributions	--	3,433	(3,433)
Net changes	(60,929)	--	(60,929)
Balance at 12/31/22	$ 142,948	$ --	$ 142,948

** Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

*** No assets are accumulated in a trust which meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Sensitivity of the total OPEB liability to changes in the discount rate –

The following presents the total OPEB liability of the Town, calculated using the discount rate of 4.05%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.05%) or 1 percentage point higher (4.05%) than the current rate:

	1% Decrease 3.05%	Current Discount Rate 4.05%	1% Increase 5.05%
Total OPEB Liability	$172,739	$142,948	$120,149

Deferred Outflows of Resources and Deferred Inflows of Resources, by year, to be recognized in Future OPEB Expense (excluding Town-provided contributions made subsequent to the measurement date).

Contributions made after the measurement date of the net OPEB liability but before the end of the employer's contributing entity's reporting period will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period rather than in the current fiscal period.

	Total Remaining (Inflow) or Outflow of Resources	Date Established	Original Recognition Period	Amount Recognized in 12/31/22 Expense	Balance of Deferred (Inflows) 12/31/22	Balance of Deferred (Inflows)/Outflows 12/31/2022
Due to liabilities:						
Difference in expected and actual experience						
(actuarial (gains) or losses)	$1,454	12/31/22	4.5800	$318	--	$1,136
	(1,932)	12/31/21	4.6400	(532)	(1,400)	--
	(3,729)	12/31/20	3.7800	(1,341)	(2,388)	--
	(3,988)	12/31/19	2.9100	(2,088)	(1,900)	--
	(2,248)	12/31/18	2.0600	(2,119)	(129)	--
				(5,762)	(5,817)	1,136
Difference in assumption changes						
(actuarial (gains) or losses)	(79,364)	12/31/22	4.5800	(17,329)	(62,035)	--
	5,561	12/31/21	4.6400	1,529	--	4,032
	15,997	12/31/20	3.7800	5,754	--	10,243
	10,640	12/31/19	2.9100	5,571	--	5,069
	(1,977)	12/31/18	2.6000	(1,864)	(113)	--
	2,129	12/31/17	1.0600	129	--	--
				(6,210)	(62,148)	19,344
Employer contributions made subsequent to measurement date				--	--	8,351
				--	--	8,351
				($11,972)	($67,965)	$28,831

Deferred Inflows/outflows to Be Recognized in Future Years

Year ended December 31,	
2023	($8,674)
2024	(12,572)
2025	(16,373)
2026	(9,866)
2027	--
	($47,485)

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Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

TOWN OF PANTEGO, TEXAS **EXHIBIT B-1**

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenue:				
Taxes:				
Property	$ 1,752,334	$ 1,752,334	$ 1,698,378	$ (53,956)
Sales	1,895,013	1,895,013	1,986,813	91,800
Franchise	296,189	296,189	305,228	9,039
Fines and forfeitures	609,800	609,800	527,718	(82,082)
Licenses and Permits	68,700	68,700	85,121	16,421
Ambulance service	105,000	105,000	84,142	(20,858)
Intergovernmental	175,135	175,135	40,815	(134,320)
Charges for services	18,500	18,500	17,481	(1,019)
Investment Earnings	11,000	11,000	47,888	36,888
Miscellaneous	21,800	21,800	139,409	117,609
Total revenues	4,953,471	4,953,471	4,932,993	(20,478)
Expenditures:				
Current:				
General and administrative	610,675	610,675	698,068	(87,393)
Public works	424,667	424,667	344,022	80,645
Community development	30,000	30,000	(3,283)	33,283
Police	2,005,807	2,005,807	1,923,542	82,265
Fire	1,610,981	1,610,981	1,695,114	(84,133)
Municipal Court	432,535	432,535	406,650	25,885
Community relations	14,991	14,991	15,156	(165)
Debt Service:				
Total Expenditures	5,129,656	5,129,656	5,079,269	50,387
Excess (Deficiency) of Revenues Over (Under) Expenditures	(176,185)	(176,185)	(146,276)	29,909
Other Financing Sources (Uses):				
Transfers In	--	--	8,790	8,790
Transfers Out	--	--	(17,250)	(17,250)
Total Other Financing Sources (Uses)	--	--	(8,460)	(8,460)
Net Change in Fund Balances	(176,185)	(176,185)	(154,736)	21,449
Fund Balances - Beginning	1,256,033	1,256,033	1,256,033	--
Fund Balances - Ending	$ 1,079,848	$ 1,079,848	$ 1,101,297	$ 21,449

EXHIBIT B-2

TOWN OF PANTEGO, TEXAS

SCHEDULE OF CHANGES IN THE TOWN'S
NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
LAST TEN FISCAL YEARS *

	Measurement Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total pension liability:										
Service cost	$ 575,536	$ 512,760	$ 492,183	$ 512,881	$ 481,596	$ 462,387	$ 421,798	$ 362,190	$ 294,270	$ --
Interest	1,188,932	1,154,962	1,119,646	1,091,193	1,047,898	1,016,821	980,866	963,211	935,669	--
Changes of benefit terms	--	--	--	--	--	--	--	--	--	--
Differences between expected and actual experience	295,833	(227,276)	(234,358)	(404,716)	21,520	(90,676)	(104,215)	(57,274)	(103,022)	--
Changes of assumptions	--	--	--	54,251	--	--	--	252,911	--	--
Benefit payments, including refunds of employee contributions	(1,025,181)	(911,967)	(817,146)	(826,320)	(1,024,180)	(851,307)	(720,846)	(838,452)	(696,398)	--
Net change in total pension liability	1,035,120	528,479	560,325	427,289	526,834	537,225	577,603	682,586	430,519	--
Total pension liability - beginning	17,838,629	17,310,150	16,749,825	16,322,536	15,795,702	15,258,477	14,680,874	13,998,288	13,567,769	--
Total pension liability - ending (a)	$ 18,873,749	$ 17,838,629	$ 17,310,150	$ 16,749,825	$ 16,322,536	$ 15,795,702	$ 15,258,477	$ 14,680,874	$ 13,998,288	$ --
Plan fiduciary net position:										
Contributions - employer	$ 490,016	$ 444,879	$ 475,832	$ 509,097	$ 482,422	$ 473,050	$ 388,070	$ 329,956	$ 301,148	$ --
Contributions - employee	218,479	196,352	193,991	203,755	187,705	180,118	163,941	148,438	144,634	--
Net investment income	(1,290,907)	2,072,638	1,132,516	2,014,633	(413,685)	1,707,200	791,051	17,797	666,569	--
Benefit payments, including refunds of employee contributions	(1,025,181)	(911,967)	(817,146)	(826,320)	(1,024,180)	(851,307)	(720,846)	(838,452)	(696,398)	--
Administrative expense	(11,183)	(9,598)	(7,335)	(11,395)	(8,001)	(8,850)	(8,936)	(10,841)	(6,960)	--
Other	13,345	66	(286)	(342)	(418)	(449)	(481)	(535)	(572)	--
Net change in plan fiduciary net position	(1,605,431)	1,792,370	977,572	1,889,428	(776,157)	1,499,762	612,799	(353,637)	408,421	--
Plan fiduciary net position - beginning	17,703,933	15,911,563	14,933,991	13,044,563	13,820,720	12,320,958	11,708,159	12,061,796	11,653,375	--
Plan fiduciary net position - ending (b)	$ 16,098,502	$ 17,703,933	$ 15,911,563	$ 14,933,991	$ 13,044,563	$ 13,820,720	$ 12,320,958	$ 11,708,159	$ 12,061,796	$ --
Town's net pension liability - ending (a) - (b)	$ 2,775,247	$ 134,696	$ 1,398,587	$ 1,815,834	$ 3,277,973	$ 1,974,982	$ 2,937,519	$ 2,972,715	$ 1,936,492	$ --
Plan fiduciary net position as a percentage of the total pension liability	85.30%	99.24%	91.92%	89.16%	79.92%	87.50%	80.75%	79.75%	86.17%	--
Covered-employee payroll	$ 3,121,130	$ 2,805,033	$ 2,771,302	$ 2,910,790	$ 2,681,493	$ 2,573,108	$ 2,342,020	$ 2,066,197	$ 2,066,197	$ --
Town's net pension liability as a percentage of covered-employee payroll	88.92%	4.80%	50.47%	62.38%	122.24%	76.75%	125.43%	143.87%	93.72%	--

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

EXHIBIT B-3

TOWN OF PANTEGO, TEXAS

SCHEDULE OF TOWN CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM
LAST TEN FISCAL YEARS *

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	$ 514,304	$ 459,320	$ 457,837	$ 477,916	$ 479,475	$ 482,843	$ 461,370	$ 338,187	$ 310,220	$ --
Contributions in relation to the actuarially determined contribution	(514,304)	(459,320)	(457,837)	(477,916)	(479,475)	(482,843)	(461,370)	(338,187)	(310,220)	--
Contribution deficiency (excess)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Covered-employee payroll	$ 3,380,684	$ 2,917,543	$ 2,820,155	$ 2,768,463	$ 2,725,177	$ 2,665,742	$ 2,572,371	$ 2,215,684	$ 2,034,826	$ --
Contributions as a percentage of covered-employee payroll	15.21%	15.74%	16.23%	17.26%	17.59%	18.11%	17.94%	15.26%	15.25%	--

Notes to Schedule

Valuation date: December 31, 2022

Actuarially determined contribution rates are calculated as of December 31, and becomes effective in January, thirteen months later.

Methods and assumptions used to determine contribution rates:

Valuation Date	December 31, 2022	Asset Valuation Method	
Actuarial Cost Method	Individual Entry Age Normal	Smoothing period	10 years
Amortization Method	Level percentage of payroll, closed	Recognition method	Smoothed market
Amortization Period in Years	23 years	Corridor	12% soft corridor
Inflation	2.5%		
Overall payroll growth	2.75% per year		
Salary Increases	3.5% to 11.50%, including inflation		
Investment Rate of Return	6.75%		

Cost of Living Adjustments: Cost-of-Living Adjustments are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments in included in the funding valuation.

Retirement Age: Experience-based table of rates that are specific to the Town's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018.

Mortality: Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Note: There were no benefit changes during the year.

TOWN OF PANTEGO, TEXAS

SCHEDULE OF CHANGES IN THE TOWN'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
LAST TEN FISCAL YEARS *

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total OPEB liability:										
Service cost	$ 16,542	$ 14,025	$ 9,700	$ 8,441	$ 6,704	$ 5,661	$ --	$ --	$ --	$ --
Interest	3,872	3,794	4,244	4,630	4,447	4,315	--	--	--	--
Changes of benefit terms	--	--	--	--	--	--	--	--	--	--
Differences between expected and actual experience	1,454	(2,464)	(6,411)	(10,252)	(10,724)	--	--	--	--	--
Changes of assumptions or other inputs	(79,364)	7,090	27,505	27,353	(9,433)	11,009	--	--	--	--
Benefit payments	(3,433)	(2,525)	(1,909)	(1,455)	(1,341)	(1,257)	--	--	--	--
Net change in total OPEB liability	(60,929)	19,920	33,129	28,717	(10,347)	19,728	--	--	--	--
Total OPEB liability - beginning	203,877	183,157	150,028	121,311	131,658	111,930	--	--	--	--
Total OPEB liability - ending	$ 142,948	$ 203,077	$ 183,157	$ 150,028	$ 121,311	$ 131,658	$ --	$ --	$ --	$ --
Covered-employee payroll	$ 3,121,130	$ 2,805,033	$ 2,771,302	$ 2,910,790	$ 2,681,493	$ 2,573,108	$ --	$ --	$ --	$ --
Total OPEB liability as a percentage of covered-employee payroll	4.58%	7.24%	6.61%	5.15%	4.52%	5.12%	--	--	--	--

Notes to Schedule:

There were no changes of benefit terms in 2022.

There were no changes of assumptions in 2022. The following are the discount rates used in each period.

2022	1.84%
2021	1.84%
2020	2.00%
2019	2.75%
2018	3.71%
2017	3.31%
2016	NA
2015	NA
2014	NA
2013	NA

NOTE: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Information concerning the budget and budget calendar are detailed in footnote II.A. The General Fund budget is presented on a generally accepted accounting principles basis.

Combining Statements and Budget Comparisons as Supplementary Information

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for specific revenue that is legally restricted to expenditures for particular purposes.

Coronavirus State and Local Fiscal Recovery Fund – This fund is used to account for grants to the Town to use in response to the Coronavirus pandemic.

Court House Security Fund – This fund is used to account for the Town's share of fines to be used to enhance building security for municipal court.

Court Technology Fund – This fund accounts for the Town's share of fines to be used for improvements to municipal court technology.

Shamburger Fund – This fund is used to account the care and feeding of stray animals found and rescued within the Town of Pantego.

Debt Service Funds are used to account for specific revenue that is legally restricted to expenditures for the accumulation of resources such as property tax revenue to service long-term debt.

The Debt Service Fund is used to account for the accumulation of resources such as property tax revenue, to be used for general obligation bond principal and interest payments, except for those certificates of obligation serviced by the Enterprise Fund.

Capital Project Funds are used to account for the accumulation of capital expenditures related to major capital expansion projects or capital equipment.

The Capital Projects/Equipment Replacement Fund accounts for resources used for the acquisition or construction of general major capital facilities and equipment for various governmental departments of the Town other than those financed by enterprise funds.

The Street Improvement Fund accounts for .25% (1/4 cent) sales tax used for infrastructure maintenance and improvement.

The 2019 CO Drainage Capital Projects Fund is used to account for costs related to capital drainage projects funded by the 2019 certificate of obligation debt issue.

EXHIBIT C-1

TOWN OF PANTEGO, TEXAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

ASSETS:	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
Assets:				
Cash and Cash Equivalents	$ 360,410	$ 4,622	$ 2,072,354	$ 2,437,386
Receivables, net:				
Property tax	--	6,605	--	6,605
Sales tax	--	--	67,923	67,923
Total Assets	$ 360,410	$ 11,227	$ 2,140,277	$ 2,511,914
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	$ --	$ --	$ 6,287	$ 6,287
Other liabilities	3,253	--	--	3,253
Total Liabilities:	3,253	--	6,287	9,540
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	--	6,096	--	6,096
Total Deferred Inflows of Resources	--	6,096	--	6,096
FUND BALANCES				
Restricted:				
Debt service	--	5,131	--	5,131
Municipal court	168,712	--	--	168,712
Street improvements	--	--	839,412	839,412
Animal control services	74,647	--	--	74,647
Other purposes	113,798	--	101,340	215,138
Committed				
Capital projects	--	--	1,193,238	1,193,238
Total fund balances	357,157	5,131	2,133,990	2,496,278
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 360,410	$ 11,227	$ 2,140,277	$ 2,511,914

EXHIBIT C-2

TOWN OF PANTEGO, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenue:				
Taxes:				
Property	$ --	$ 175,244	$ --	$ 175,244
Sales	--	--	394,421	394,421
Fines and forfeitures	28,328	--	--	28,328
Investment Earnings	26,054	1,327	89,780	117,161
Total revenues	54,382	176,571	484,201	715,154
Expenditures:				
Current:				
Public works	--	--	343,077	343,077
Police	--	--	9,880	9,880
Fire	26,282	--	31,109	57,391
Municipal Court	7,304	--	--	7,304
Community relations	977	--	--	977
Capital outlay	184,993	--	26,054	211,047
Debt Service:				
Principal	--	105,000	69,001	174,001
Interest and Fiscal Charges	--	72,375	26,939	99,314
Total Expenditures	219,556	177,375	506,060	902,991
Excess (Deficiency) of Revenues Over (Under) Expenditures	(165,174)	(804)	(21,859)	(187,837)
Other Financing Sources (Uses):				
Transfers In	--	--	8,460	8,460
Transfers Out	(219,371)	--	--	(219,371)
Capital Leases	--	--	177,616	177,616
Sale of Capital Assets	--	--	277,770	277,770
Total Other Financing Sources (Uses)	(219,371)	--	463,846	244,475
Net Change in Fund Balances	(384,545)	(804)	441,987	56,638
Fund Balances - Beginning	741,702	5,935	1,692,003	2,439,640
Fund Balances - Ending	$ 357,157	$ 5,131	$ 2,133,990	$ 2,496,278

TOWN OF PANTEGO, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2023

	Coronavirus State and Local Fiscal Recovery Funds	Court House Security Fund
ASSETS:		
Assets:		
Cash and Cash Equivalents	$ 113,798	$ 62,647
Total Assets	$ 113,798	$ 62,647
LIABILITIES AND FUND BALANCES		
Liabilities:		
Other liabilities	$ --	$ --
Total Liabilities:	--	--
FUND BALANCES		
Restricted:		
Municipal court	--	62,647
Animal control services	--	--
Other purposes	113,798	--
Total fund balances	113,798	62,647
Total Liabilities and Fund Balances	$ 113,798	$ 62,647

Court Technology	Shamburger	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
$ 109,318	$ 74,647	$ 360,410
$ 109,318	$ 74,647	$ 360,410
$ 3,253	$ --	$ 3,253
3,253	--	3,253
106,065	--	168,712
--	74,647	74,647
--	--	113,798
106,065	74,647	357,157
$ 109,318	$ 74,647	$ 360,410

TOWN OF PANTEGO, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Coronavirus State and Local Fiscal Recovery Funds	Court House Security Fund
Revenue:		
Taxes:		
Fines and forfeitures	$ --	$ 15,393
Investment Earnings	14,968	2,605
Total revenues	14,968	17,998
Expenditures:		
Current:		
Fire	26,282	--
Municipal Court	--	--
Community relations	--	--
Capital outlay	184,993	--
Total Expenditures	211,275	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	(196,307)	17,998
Other Financing Sources (Uses):		
Transfers Out	(219,371)	--
Total Other Financing Sources (Uses)	(219,371)	--
Net Change in Fund Balances	(415,678)	17,998
Fund Balances - Beginning	529,476	44,649
Fund Balances - Ending	$ 113,798	$ 62,647

EXHIBIT C-4

Court Technology	Shamburger	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
$ 12,935	$ --	$ 28,328
5,076	3,405	26,054
18,011	3,405	54,382
--	--	26,282
7,304	--	7,304
--	977	977
--	--	184,993
7,304	977	219,556
10,707	2,428	(165,174)
--	--	(219,371)
--	--	(219,371)
10,707	2,428	(384,545)
95,358	72,219	741,702
$ 106,065	$ 74,647	$ 357,157

TOWN OF PANTEGO, TEXAS

CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-5

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes:			
Investment Earnings	$ 3,750	$ 14,968	$ 11,218
Total revenues	3,750	14,968	11,218
Expenditures:			
Current:			
Fire	--	26,282	(26,282)
Capital outlay	315,000	184,993	130,007
Total Expenditures	315,000	211,275	103,725
Excess (Deficiency) of Revenues Over (Under) Expenditures	(311,250)	(196,307)	114,943
Other Financing Sources (Uses):			
Transfers Out	--	(219,371)	(219,371)
Total Other Financing Sources (Uses)	--	(219,371)	(219,371)
Net Change in Fund Balances	(311,250)	(415,678)	(104,428)
Fund Balances - Beginning	529,476	529,476	--
Fund Balances - Ending	$ 218,226	$ 113,798	$ (104,428)

TOWN OF PANTEGO, TEXAS

COURT HOUSE SECURITY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-6

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes:			
Fines and forfeitures	$ 14,500	$ 15,393	$ 893
Investment Earnings	600	2,605	2,005
Total revenues	15,100	17,998	2,898
Expenditures:			
Capital outlay	18,000	--	18,000
Total Expenditures	18,000	--	18,000
Net Change in Fund Balances	(2,900)	17,998	20,898
Fund Balances - Beginning	44,649	44,649	--
Fund Balances - Ending	$ 41,749	$ 62,647	$ 20,898

TOWN OF PANTEGO, TEXAS

EXHIBIT C-7

COURT TECHNOLOGY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes:			
Fines and forfeitures	$ 13,750	$ 12,935	$ (815)
Investment Earnings	1,250	5,076	3,826
Total revenues	15,000	18,011	3,011
Expenditures:			
Current:			
Municipal Court	73,886	7,304	66,582
Total Expenditures	73,886	7,304	66,582
Net Change in Fund Balances	(58,886)	10,707	69,593
Fund Balances - Beginning	95,358	95,358	--
Fund Balances - Ending	$ 36,472	$ 106,065	$ 69,593

TOWN OF PANTEGO, TEXAS
SHAMBURGER
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-8

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes:			
Investment Earnings	$ 1,000	$ 3,405	$ 2,405
Total revenues	1,000	3,405	2,405
Expenditures:			
Current:			
Community relations	3,000	977	2,023
Total Expenditures	3,000	977	2,023
Net Change in Fund Balances	(2,000)	2,428	4,428
Fund Balances - Beginning	72,219	72,219	--
Fund Balances - Ending	$ 70,219	$ 74,647	$ 4,428

TOWN OF PANTEGO, TEXAS

DEBT SERVICE 2019 CO
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-9

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes:			
Property	$ 178,199	$ 175,244	$ (2,955)
Investment Earnings	250	1,327	1,077
Total revenues	178,449	176,571	(1,878)
Expenditures:			
Debt Service:			
Principal	105,000	105,000	--
Interest and Fiscal Charges	72,375	72,375	--
Total Expenditures	177,375	177,375	--
Net Change in Fund Balances	1,074	(804)	(1,878)
Fund Balances - Beginning	5,935	5,935	--
Fund Balances - Ending	$ 7,009	$ 5,131	$ (1,878)

EXHIBIT C-10

TOWN OF PANTEGO, TEXAS

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2023

	Equipment Replacement Fund	Street Improvements Fund	2019 CO Capital Projects	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
ASSETS:				
Assets:				
Cash and Cash Equivalents	$ 1,198,965	$ 772,049	$ 101,340	$ 2,072,354
Receivables, net:				
Sales tax	--	67,923	--	67,923
Total Assets	$ 1,198,965	$ 839,972	$ 101,340	$ 2,140,277
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 5,727	$ 560	$ --	$ 6,287
Total Liabilities:	5,727	560	--	6,287
FUND BALANCES				
Restricted:				
Street improvements	--	839,412	--	839,412
Other purposes	--	--	101,340	101,340
Committed				
Capital projects	1,193,238	--	--	1,193,238
Total fund balances	1,193,238	839,412	101,340	2,133,990
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,198,965	$ 839,972	$ 101,340	$ 2,140,277

TOWN OF PANTEGO, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Equipment Replacement Fund	Street Improvements Fund	2019 CO Capital Projects	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
Revenue:				
Taxes:				
Sales	$ --	$ 394,421	$ --	$ 394,421
Investment Earnings	54,564	33,038	2,178	89,780
Total revenues	54,564	427,459	2,178	484,201
Expenditures:				
Current:				
Public works	177,616	165,461	--	343,077
Police	9,880	--	--	9,880
Fire	31,109	--	--	31,109
Capital outlay	--	26,054	--	26,054
Debt Service:				
Principal	69,001	--	--	69,001
Interest and Fiscal Charges	26,939	--	--	26,939
Total Expenditures	314,545	191,515	--	506,060
Excess (Deficiency) of Revenues Over (Under) Expenditures	(259,981)	235,944	2,178	(21,859)
Other Financing Sources (Uses):				
Transfers In	8,460	--	--	8,460
Capital Leases	177,616	--	--	177,616
Sale of Capital Assets	277,770	--	--	277,770
Total Other Financing Sources (Uses)	463,846	--	--	463,846
Net Change in Fund Balances	203,865	235,944	2,178	441,987
Fund Balances - Beginning	989,373	603,468	99,162	1,692,003
Fund Balances - Ending	$ 1,193,238	$ 839,412	$ 101,340	$ 2,133,990

PANTEGO ECONOMIC DEVELOPMENT CORPORATION FUNDS

PEDC

The Pantego Economic Development Corporation (PEDC) is a discretely presented component unit of the Town, therefore, the PEDC's annual financial statements and annual operating budget are presented separately.

PEDC was founded in 1993, following an election to assess a ½ cent sales and use tax. Funds administered by PEDC are restricted funds and can only be used for those projects which are either directly or indirectly attributable to economic development within the Town.

The PEDC's financial activities are reported in the following funds:

PEDC Operating Fund – This fund is used to account for operations and activities directed towards economic development financed with sales tax revenue.

PEDC Sales Tax Revenue Fund – This fund is used to account for ½ cent sales and use tax.

TOWN OF PANTEGO, TEXAS

BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

ASSETS:	PEDC Operating	PEDC Sales Tax Revenue	Total Governmental Funds
Assets:			
Cash and Cash Equivalents	$ 2,264,973	$ --	$ 2,264,973
Receivables, net:			
Sales tax	--	135,846	135,846
Inventory	5,854	--	5,854
Total Assets	$ 2,270,827	$ 135,846	$ 2,406,673
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 60,925	$ --	$ 60,925
Total Liabilities:	60,925	--	60,925
FUND BALANCES			
Unassigned	2,209,902	135,846	2,345,748
Total fund balances	2,209,902	135,846	2,345,748
Total Liabilities and Fund Balances	$ 2,270,827	$ 135,846	$ 2,406,673

The accompanying notes are an integral part of this statement.

TOWN OF PANTEGO, TEXAS

PANTEGO ECONOMIC DEVELOPMENT CORPORATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

Total fund balances - governmental funds balance sheet	$	2,345,748
Amounts reported for governmental activities in the Statement of Net Position ("SNP") are different because:		
Capital assets used in governmental activities are not reported in the funds.		387,062
Payables for bond principal which are not due in the current period are not reported in the funds.		(1,285,000)
Other long-term assets are not available to pay for current period expenditures and are deferred in the funds.		6,340
Bond premiums/discounts are amortized in the SNA but not in the funds.		8,224
Net position of governmental activities - Statement of Net Position	$	1,462,374

TOWN OF PANTEGO, TEXAS

PANTEGO ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	PEDC Operating	PEDC Sales Tax Revenue	Total Governmental Funds
Revenue:			
Taxes:			
Sales	$ --	$ 788,842	$ 788,842
Investment Earnings	40,350	--	40,350
Miscellaneous	4,903	--	4,903
Total revenues	45,253	788,842	834,095
Expenditures:			
Current:			
General and administrative	604,235	--	604,235
Public works	104,474	--	104,474
Debt Service:			
Interest and Fiscal Charges	6,902	--	6,902
Bond Issuance Costs	63,960	--	63,960
Total Expenditures	779,571	--	779,571
Excess (Deficiency) of Revenues Over (Under) Expenditures	(734,318)	788,842	54,524
Other Financing Sources (Uses):			
Transfers In	784,463	--	784,463
Transfers Out	(80,605)	(784,463)	(865,068)
General Obligation Bonds Issued	1,285,000	--	1,285,000
Premiums on Bonds Issued	9,668	--	9,668
Discount on Bonds Issued	(18,103)	--	(18,103)
Total Other Financing Sources (Uses)	1,980,423	(784,463)	1,195,960
Net Change in Fund Balances	1,246,105	4,379	1,250,484
Fund Balances - Beginning	963,797	131,467	1,095,264
Fund Balances - Ending	$ 2,209,902	$ 135,846	$ 2,345,748

TOWN OF PANTEGO, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2023

Net change in fund balances - total governmental funds	$	1,250,484
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:		
Capital outlays are not reported as expenses in the SOA.		187,912
The depreciation of capital assets used in governmental activities is not reported in the funds.		(45,966)
(Increase) decrease in accrued interest from beginning of period to end of period.		(647)
Proceeds of bonds do not provide revenue in the SOA, but are reported as current resources in the funds.		(1,285,000)
Bond premiums/discounts are not amortized in the funds.		8,435
Other		(10,002)
Change in net position of governmental activities - Statement of Activities	$	105,216

TOWN OF PANTEGO, TEXAS

EXHIBIT C-16

PEDC OPERATING
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenue:				
Taxes:				
Investment Earnings	$ 9,500	$ 9,500	$ 40,350	$ 30,850
Miscellaneous	750	750	4,903	4,153
Total revenues	10,250	10,250	45,253	35,003
Expenditures:				
Current:				
General and administrative	901,983	1,015,159	684,840	330,319
Public works	104,474	104,474	104,474	--
Debt Service:				
Interest and Fiscal Charges	--	--	6,902	(6,902)
Bond Issuance Costs	--	--	63,960	(63,960)
Total Expenditures	1,006,457	1,119,633	860,176	259,457
Excess (Deficiency) of Revenues Over (Under) Expenditures	(996,207)	(1,109,383)	(814,923)	294,460
Other Financing Sources (Uses):				
Transfers In	752,386	752,386	784,463	32,077
General Obligation Bonds Issued	--	--	1,285,000	(1,285,000)
Premiums on Bonds Issued	--	--	9,668	(9,668)
Discount on Bonds Issued	--	--	(18,103)	(18,103)
Total Other Financing Sources (Uses)	752,386	752,386	2,061,028	(1,308,642)
Net Change in Fund Balances	(243,821)	(356,997)	1,246,105	1,603,102
Fund Balances - Beginning	963,797	963,797	963,797	--
Fund Balances - Ending	$ 719,976	$ 606,800	$ 2,209,902	$ 1,603,102

Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

TOWN OF PANTEGO, TEXAS
AGGREGATE SCHEDULE OF NET POSITION
ENTERPRISE FUNDS
SEPTEMBER 30, 2023

	Enterprise Fund Water and Sewer Fund	Enterprise Fund WW Construction Fund	Enterprise Fund Water Infrastructure Fund	Total Enterprise Funds
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	$ 133,154	$ --	$ 467,912	$ 601,066
Receivables (net of allowances for uncollectibles):				
Accounts	194,633	--	45,279	239,912
Inventories	149,289	--	--	149,289
Restricted assets				
Cash and Cash Equivalents	119,141	--	--	119,141
Total Current Assets	596,217	--	513,191	1,109,408
Noncurrent Assets:				
Land	61,971	--	--	61,971
Construction in Progress	397,690	--	--	397,690
Improvements Other Than Buildings	8,629,401	--	--	8,629,401
Less Accumulated Depreciation	(3,272,138)	--	--	(3,272,138)
Total Noncurrent Assets	5,816,924	--	--	5,816,924
Total Assets	6,413,141	--	513,191	6,926,332
DEFERRED OUTFLOWS OF RESOURCES:				
Employee pensions	272,239	--	--	272,239
Other post empoyment benefits	3,125	--	--	3,125
Total Outflows of Resources	275,364	--	--	275,364
LIABILITIES:				
Current Liabilities:				
Accounts payable	87,977	--	--	87,977
Current Liabilities Payable from Restricted Assets:				
Customer Deposits	119,141	--	--	119,141
Total Current Liabilities	207,118	--	--	207,118
Noncurrent Liabilities:				
Net Pension Liability	300,837	--	--	300,837
Net Opeb Liability	15,496	--	--	15,496
Total Noncurrent Liabilities	316,333	--	--	316,333
Total Liabilities	523,451	--	--	523,451
DEFERRED INFLOWS OF RESOURCES:				
Employee pensions	94,934	--	--	94,934
Other post employment benefits	7,367	--	--	7,367
Total Inflows of Resources	102,301	--	--	102,301
NET POSITION:				
Net Investment in Capital Assets	5,816,924	--	--	5,816,924
Unrestricted	245,829	--	513,191	759,020
Total Net Position	$ 6,062,753	$ --	$ 513,191	$ 6,575,944

TOWN OF PANTEGO, TEXAS

AGGREGATE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Enterprise Fund Water and Sewer Fund	Enterprise Fund WW Construction Fund	Enterprise Fund Water Infrastructure Fund	Total Enterprise Funds
OPERATING REVENUES:				
Charges for Sales and Services:				
Water sales	$ 491,281	$ --	$ --	$ 491,281
Sewer charges	477,421	--	--	477,421
Groundwater conversation fees	17,803	--	--	17,803
Infrastructure improvement fees	--	--	267,564	267,564
Late payment charges	12,713	--	3,543	16,256
Miscellaneous	6,131	--	--	6,131
Total Operating Revenues	1,005,349	--	271,107	1,276,456
OPERATING EXPENSES:				
Personnel	484,224	--	--	484,224
Utilities	116,711	--	--	116,711
Maintenance and repairs	160,474	--	--	160,474
Franchise fees	59,716	--	--	59,716
Other	25,840	--	--	25,840
Sewage treatment - other governments	357,906	--	--	357,906
Depreciation	308,083	--	--	308,083
Total Operating Expenses	1,512,954	--	--	1,512,954
Operating Income	(507,605)	--	271,107	(236,498)
NON-OPERATING REVENUES (EXPENSES):				
Investment earnings	21,715	--	15,309	37,024
Other income	345	--	--	345
Total Non-operating Revenues (Expenses)	22,060	--	15,309	37,369
Income before Transfers	(485,545)	--	286,416	(199,129)
Transfers In (Out)	617,312	(16,118)	(32,649)	568,545
Change in Net Position	131,767	(16,118)	253,767	369,416
Total Net Position - Beginning	5,930,986	16,118	259,424	6,206,528
Total Net Position - Ending	$ 6,062,753	$ --	$ 513,191	$ 6,575,944

EXHIBIT C-19

TOWN OF PANTEGO, TEXAS
AGGREGATE SCHEDULE OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Enterprise Fund Water and Sewer Fund	Enterprise Fund WW Construction Fund	Enterprise Fund Water Infrastructure Fund	Total Enterprise Funds
Cash Flows from Operating Activities:				
Cash Received from Customers	$ 1,141,630	$ --	$ 301,078	$ 1,442,708
Cash Payments to Employees for Services	(465,396)	--	--	(465,396)
Cash Payments to Other Suppliers for Goods and Services	(693,863)	--	(54,933)	(748,796)
Net Cash Provided (Used) by Operating Activities	(17,629)	--	246,145	228,516
Cash Flows from Non-capital Financing Activities:				
Transfers From (To) Other Funds	617,312	(16,118)	(32,649)	568,545
Net Cash Provided (Used) by Non-capital Financing Activities	617,312	(16,118)	(32,649)	568,545
Cash Flows from Capital and Related Financing Activities:				
Acquisition or Construction of Capital Assets	(883,696)	--	--	(883,696)
Net Cash Provided (Used) for Capital and Related Financing Activities	(883,696)	--	--	(883,696)
Cash Flows from Investing Activities:				
Interest and Dividends on Investments	21,715	--	15,309	37,024
Net Cash Provided (Used) for Investing Activities	21,715	--	15,309	37,024
Net Increase (Decrease) in Cash and Cash Equivalents	(262,298)	(16,118)	228,805	(49,611)
Cash and Cash Equivalents at Beginning of Year	514,593	16,118	239,107	769,818
Cash and Cash Equivalents at End of Year	$ 252,295	$ --	$ 467,912	$ 720,207
Reported on Statement of Net position:				
Unrestricted cash	$ 133,154	$ --	$ 467,912	$ 601,066
Restricted cash	119,141	--	--	119,141
Cash and Cash Equivalents at End of Year	$ 252,295	$ --	$ 467,912	$ 720,207
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	$ (507,605)	$ --	$ 271,107	$ (236,498)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		--		
Depreciation	308,083	--	--	308,083
Other income	345	--	--	345
Change in Assets and Liabilities:				
Decrease (Increase) in Receivables	137,952	--	29,971	167,923
Decrease (Increase) in Inventories	(24,246)	--	--	(24,246)
Decrease (Increase) in Deferred Resource Outflows Pension	(206,491)	--	--	(206,491)
Decrease (Increase) in Deferred Resource Outflows OPEB	886	--	--	886
Increase (Decrease) in Accounts Payable	51,029	--	(54,933)	(3,904)
Increase (Decrease) in Customer Deposits	(2,015)	--	--	(2,015)
Increase (Decrease) in Net Pension Liability	286,236	--	--	286,236
Increase (Decrease) in Net OPEB Liability	(6,604)	--	--	(6,604)
Increase (Decrease) in Deferred Resource Inflows Pension	(60,036)	--	--	(60,036)
Increase (Decrease) in Deferred Resource Inflows OPEB	4,837	--	--	4,837
Total Adjustments	489,976	--	(24,962)	465,014
Net Cash Provided (Used) by Operating Activities	$ (17,629)	$ --	$ 246,145	$ 228,516

STATISTICAL SECTION

This part of the Town of Pantego, Texas's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Contents **Page**

Financial Trends 94

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

Revenue Capacity 102

These schedules contain information to help the reader assess the factors affecting the Town's ability to generate its property and sales taxes.

Debt Capacity 109

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information 113

These schedules offer demographic and economic indicators to help the reader understand how the Town's financial activities take place and to help make comparisons over time and with other governments.

Operating Information 116

These schedules contain information about the Town's operations and resources to help the reader understand how the Town's financial information relates to the services the Town provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

TOWN OF PANTEGO, TEXAS

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2014	2015	2016	2017	2018
Governmental Activities					
Net Investment in Capital assets	$ 4,109,091	$ 4,411,384	$ 4,485,022	$ 4,193,710	$ 3,984,588
Restricted	2,601,335	2,393,547	2,125,490	2,053,638	1,978,755
Unrestricted	2,584,872	1,194,431	1,279,011	1,053,211	1,289,670
Total Governmental Activities Net Position	$ 9,295,298	$ 7,999,362	$ 7,889,523	$ 7,300,559	$ 7,253,013
Business-type Activities					
Net Investment in Capital assets	$ 898,886	$ 1,758,984	$ 1,949,812	$ 2,099,503	$ 2,489,786
Restricted	--	--	--	--	--
Unrestricted	1,378,378	1,155,420	915,531	713,445	674,509
Total Business-type Activities Net Position	$ 2,277,264	$ 2,914,404	$ 2,865,343	$ 2,812,948	$ 3,164,295
Primary Government					
Net Investment in Capital assets	$ 5,007,977	$ 6,170,368	$ 6,434,834	$ 6,293,213	$ 6,474,374
Restricted	2,601,335	2,393,547	2,125,490	2,053,638	1,978,755
Unrestricted	3,963,250	2,349,851	2,194,542	1,766,656	1,964,179
Total Primary Government Net Position	$ 11,572,562	$ 10,913,766	$ 10,754,866	$ 10,113,507	$ 10,417,308

TABLE D-1

2019	2020	2021	2022	2023
$ 5,354,119	$ 5,494,778	$ 4,781,793	$ 3,248,056	$ 2,640,510
1,430,519	1,383,409	1,515,045	1,701,546	2,165,030
276,613	131,014	1,120,275	1,154,959	25,458
$ 7,061,251	$ 7,009,201	$ 7,417,113	$ 6,104,561	$ 4,830,998
$ 2,575,492	$ 2,724,120	$ 2,804,844	$ 5,241,311	$ 5,816,924
--	--	--	--	--
863,669	911,575	1,182,994	965,217	759,020
$ 3,439,161	$ 3,635,695	$ 3,987,838	$ 6,206,528	$ 6,575,944
$ 7,929,611	$ 8,218,898	$ 7,586,637	$ 8,489,367	$ 8,457,434
1,430,519	1,383,409	1,515,045	1,701,546	2,165,030
1,140,282	1,042,589	2,303,269	2,120,176	784,478
$ 10,500,412	$ 10,644,896	$ 11,404,951	$ 12,311,089	$ 11,406,942

TOWN OF PANTEGO, TEXAS

EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2014	2015	2016	2017	2018
Expenses					
Governmental Activities:					
General and administrative	$ 629,296	$ 554,904	$ 506,739	$ 589,280	$ 596,456
Public works	694,444	672,640	895,132	658,630	621,545
Community development	--	112,189	139,358	199,548	168,172
Police	1,176,704	1,243,279	1,382,204	1,575,419	1,507,206
Fire	1,063,922	1,141,976	1,247,185	1,419,752	1,347,654
Municipal court	385,411	369,205	372,869	416,187	406,537
Community relations	--	--	--	--	--
Other	186,349	138,389	136,147	27,387	13,927
Interest on Long-Term Debt	38,628	30,149	28,057	16,230	11,884
Total Governmental Activities Expenses	$ 4,174,754	$ 4,262,731	$ 4,707,691	$ 4,902,433	$ 4,673,381
Business-type Activities					
Water and wastewater	1,067,519	1,109,880	1,287,745	1,252,304	1,088,168
Total Business-type Activities Expenses	1,067,519	1,109,880	1,287,745	1,252,304	1,088,168
Total Primary Government Expenses	$ 5,242,273	$ 5,372,611	$ 5,995,436	$ 6,154,737	$ 5,761,549
Program Revenues					
Governmental Activities:					
Charges for Services:					
General and administrative	$ 114,103	$ 115,389	$ 122,887	$ --	$ --
Public works	77,419	--	--	--	--
Community development	--	100,212	89,417	77,457	97,086
Police	882,288	857,936	693,865	547,499	779,454
Fire	145,965	150,571	122,030	187,824	78,527
Municipal court	112,060	52,100	41,774	23,611	31,083
Community relations	--	--	--	--	--
Other	15,295	18,805	20,648	--	--
Operating Grants and Contributions	32,271	21,850	53,649	11,342	12,205
Capital Grants and Contributions	--	306,234	--	7,378	--
Total Governmental Activities Program Revenues	$ 1,379,401	$ 1,623,097	$ 1,144,270	$ 855,111	$ 998,355
Business-type Activities:					
Charges for Services:					
Water and Wastewater	$ 1,177,852	$ 1,223,699	$ 1,236,588	$ 1,192,044	$ 1,418,974
Operating Grants and Contributions	--	--	--	--	--
Capital Grants and Contributions	--	60,097	60,097	--	--
Total Business-type Activities Program Revenues	1,177,852	1,283,796	1,296,685	1,192,044	1,418,974
Total Primary Government Program Revenues	$ 2,557,253	$ 2,906,893	$ 2,440,955	$ 2,047,155	$ 2,417,329
Net (Expense)/Revenue					
Governmental Activities	$ (2,795,353)	$ (2,639,634)	$ (3,563,421)	$ (4,047,322)	$ (3,675,026)
Business-type Activities	110,333	173,916	8,940	(60,260)	330,806
Total Primary Government Net Expense	$ (2,685,020)	$ (2,465,718)	$ (3,554,481)	$ (4,107,582)	$ (3,344,220)

TABLE D-2

2019	2020	2021	2022	2023
$ 584,393	$ 562,177	$ 575,663	$ 571,428	$ 721,165
627,099	590,635	732,024	836,830	898,275
193,769	140,109	29,432	31,800	23,815
1,734,699	1,559,711	1,484,524	1,544,166	1,965,746
1,378,017	1,404,650	1,331,682	1,444,702	2,041,918
407,102	383,879	336,347	372,200	437,727
--	9,152	10,899	12,893	8,633
17,227	--	--	--	--
105,517	88,934	74,758	73,283	408,133
$ 5,047,823	$ 4,739,247	$ 4,575,329	$ 4,887,302	$ 6,505,412
1,260,231	1,412,240	1,196,847	1,015,435	1,512,954
1,260,231	1,412,240	1,196,847	1,015,435	1,512,954
$ 6,308,054	$ 6,151,487	$ 5,772,176	$ 5,902,737	$ 8,018,366
$ --	$ --	$ --	$ --	$ --
--	145,112	--	--	--
60,694	47,610	70,402	95,076	92,924
742,507	557,177	553,949	451,274	579,113
54,102	99,099	132,719	109,572	112,280
24,122	29,363	29,654	24,858	28,328
--	--	--	--	--
--	--	--	--	--
10,719	147,161	32,994	22,750	26,720
4,605	2,659	312,885	313,320	--
$ 896,749	$ 1,028,181	$ 1,132,603	$ 1,016,850	$ 839,365
$ 1,527,008	$ 1,434,237	$ 1,416,976	$ 1,548,821	$ 1,276,455
--	--	--	--	--
--	--	--	--	--
1,527,008	1,434,237	1,416,976	1,548,821	1,276,455
$ 2,423,757	$ 2,462,418	$ 2,549,579	$ 2,565,671	$ 2,115,820
$ (4,151,074)	$ (3,711,066)	$ (3,442,726)	$ (3,870,452)	$ (5,666,047)
266,777	21,997	220,129	533,386	(236,499)
$ (3,884,297)	$ (3,689,069)	$ (3,222,597)	$ (3,337,066)	$ (5,902,546)

TOWN OF PANTEGO, TEXAS

GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2014	2015	2016	2017	2018
Net (Expense)/Revenue					
Governmental Activities	$ (2,795,353)	$ (2,639,634)	$ (3,563,421)	$ (4,047,322)	$ (3,675,026)
Business-type Activities	110,333	173,916	(51,157)	(60,260)	330,806
Total Primary Government Net Expense	$ (2,685,020)	$ (2,465,718)	$ (3,614,578)	$ (4,107,582)	$ (3,344,220)
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Taxes					
Property	$ 1,026,470	$ 1,035,238	$ 1,056,398	$ 1,126,456	$ 1,253,512
Sales and use tax	1,708,772	1,814,089	1,974,220	1,927,619	1,941,472
Franchise	342,799	315,694	334,925	331,537	331,573
Investment Earnings	3,140	6,036	14,237	42,736	80,643
Miscellaneous	24,148	15,375	73,802	30,011	16,309
Gain (loss) on disposal of capital assets	68,733	13,212	--	--	3,970
Transfers in (out)	557,000	(605,606)	--	--	--
Total Governmental activities	$ 3,731,062	$ 2,594,038	$ 3,453,582	$ 3,458,359	$ 3,627,479
Business-type Activities:					
Investment income	622	1,270	2,096	7,244	13,219
Miscellaneous	--	--	--	622	7,321
Transfers in (out)	(557,000)	605,606	--	--	--
Total Business-type Activities	(556,378)	606,876	2,096	7,866	20,540
Total Primary Government	$ 3,174,684	$ 3,200,914	$ 3,455,678	$ 3,466,225	$ 3,648,019
Change in Net Position					
Governmental Activities	$ 935,709	$ (45,596)	$ (109,839)	$ (588,963)	$ (47,547)
Business-type Activities	(446,045)	780,792	(49,061)	(52,394)	351,346
Total Primary Government	$ 489,664	$ 735,196	$ (158,900)	$ (641,357)	$ 303,799

TABLE D-3

2019	2020	2021	2022	2023
$ (4,151,074)	$ (3,711,066)	$ (3,442,726)	$ (3,870,452)	$ (5,666,047)
266,777	21,997	220,129	533,386	(236,499)
$ (3,884,297)	$ (3,689,069)	$ (3,222,597)	$ (3,337,066)	$ (5,902,546)
$ 1,367,835	$ 1,474,402	$ 1,532,378	$ 1,534,994	$ 1,857,039
2,014,986	1,968,091	2,122,672	2,282,299	2,381,234
337,830	283,723	263,064	290,788	318,043
143,034	65,842	4,569	26,591	356,227
206,999	54,709	55,442	90,958	120,131
--	(23,575)	--	8,460	(71,645)
--	(164,176)	(127,487)	(1,676,190)	(568,545)
$ 4,070,684	$ 3,659,016	$ 3,850,638	$ 2,557,900	$ 4,392,484
15,942	10,191	1,157	8,679	37,024
504	470	3,370	435	346
--	164,176	127,487	1,676,190	568,545
16,446	174,837	132,014	1,685,304	605,915
$ 4,087,130	$ 3,833,853	$ 3,982,652	$ 4,243,204	$ 4,998,399
$ (80,390)	$ (52,050)	$ 407,912	$ (1,312,552)	$ (1,273,563)
283,223	196,834	352,143	2,218,690	369,416
$ 202,833	$ 144,784	$ 760,055	$ 906,138	$ (904,147)

TABLE D-4

TOWN OF PANTEGO, TEXAS

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	$ 16,272	$ 32,085	$ 2,883	$ 3,344	$ 5,379	$ 20,243	$ 3,748	$ 5,356	$ 7,692	$ 9,842
Restricted:										
Other purposes	11,533	18,685	38,622	--	--	--	--	--	--	--
Committed for:										
Debt service	50,100	--	--	--	--	--	--	--	--	--
Equipment replacement	--	--	--	--	--	--	--	--	--	--
Assigned to:										
Deficit subsequent year budget	--	--	--	--	--	--	--	--	--	--
Equipment replacement	--	100,000	100,000	100,000	100,000	100,000	--	--	--	--
Unassigned	2,044,887	2,115,419	2,483,019	2,469,074	2,484,181	1,864,473	1,603,585	1,868,730	1,248,341	1,091,455
Total General Fund	$ 2,122,792	$ 2,266,189	$ 2,624,524	$ 2,572,418	$ 2,589,560	$ 1,984,716	$ 1,607,333	$ 1,874,086	$ 1,256,033	$ 1,101,297
All Other Governmental Funds										
Restricted for:										
Debt service	$ 237,642	$ 235,327	$ 102,701	$ 69,582	$ 37,475	$ 7,105	$ 5,775	$ 5,005	$ 5,936	$ 5,131
Municipal court	84,972	93,294	101,017	92,129	105,967	121,672	144,617	136,025	140,006	168,712
Street improvements	668,709	875,997	720,517	882,109	821,166	588,720	211,384	359,194	603,469	839,412
Park Row project	1,407,000	1,061,604	1,056,231	1,064,998	1,085,053	838,274	216,097	--	--	--
Animal control services	82,941	81,700	77,633	75,172	74,194	74,086	74,324	73,664	72,218	74,647
Economic development	--	--	--	--	--	--	--	--	--	--
Other purposes	54,195	20,870	21,497	10,545	4,898	2,756,905	2,624,883	2,652,839	628,638	13,061,851
Committed to:									--	--
Capital projects	429,361	34,652	24,953	25,162	25,632	26,252	374,645	591,355	989,373	1,193,238
Unassigned	--	(4,016)	--	--	--	--	--	--	--	--
Total All Other Governmental Funds	$ 2,964,820	$ 2,399,428	$ 2,104,549	$ 2,219,697	$ 2,154,385	$ 4,413,014	$ 3,651,725	$ 3,818,082	$ 2,439,640	$ 15,342,991

TABLE D-5

TOWN OF PANTEGO, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Property tax	$ 1,025,090	$ 1,027,925	$ 1,060,682	$ 1,122,305	$ 1,247,876	$ 1,351,129	$ 1,492,559	$ 1,530,829	$ 1,535,253	$ 1,873,622
Sales tax	1,708,772	1,814,089	1,974,220	1,927,619	1,941,471	2,014,986	1,968,091	2,122,672	2,282,299	2,381,234
Franchise tax	331,465	318,154	337,774	325,907	335,336	331,327	293,989	272,956	282,204	305,228
Court fines, permits and fees	--	--	--	--	--	--	--	--	--	--
Fines and Forfeitures	913,788	880,750	780,857	636,400	760,642	708,424	586,725	574,030	457,653	556,046
Licenses and permits	77,419	100,212	89,417	71,937	91,979	55,094	44,020	63,406	88,590	85,121
Ambulance service	143,553	134,355	124,770	148,648	82,934	84,012	101,314	101,275	116,182	84,142
Charges for service	126,342	130,849	157,920	25,800	6,084	3,705	2,170	18,678	18,602	17,481
Contributions and donations	18,050	21,850	27,634	10,145	11,070	5,000	3,200	--	--	500
Investment earnings	3,140	6,036	14,237	5,765	6,121	143,035	65,843	4,569	26,591	356,228
Intergovernmental	--	260,210	26,015	42,736	80,642	7,810	289,073	345,080	336,070	40,815
Miscellaneous	69,821	55,546	88,450	35,806	26,777	220,490	68,776	70,827	105,254	138,909
Total Revenues	4,417,440	4,749,976	4,681,976	4,353,068	4,590,932	4,925,012	4,915,760	5,104,322	5,248,698	5,839,326
Expenditures										
Current operations:										
General and administrative	587,745	525,373	444,827	498,044	590,851	553,576	569,451	524,247	583,275	698,068
Public works	370,659	350,408	606,080	369,060	372,760	325,534	342,957	407,002	517,977	687,099
Community Development	--	113,679	130,644	146,978	141,224	141,360	141,094	7,403	12,202	4,217
Police	1,144,331	1,163,861	1,203,351	1,399,001	1,490,173	1,710,497	1,708,420	1,648,215	1,962,867	1,933,422
Fire	978,439	1,039,334	1,077,145	1,301,849	1,322,936	2,073,485	1,316,126	1,307,860	1,450,029	1,752,505
Municipal court	378,979	364,599	350,932	383,498	390,840	393,037	399,982	384,506	398,616	413,954
Other	146,946	100,259	99,450	27,387	18,727	17,787	9,152	10,899	12,893	8,633
Capital outlay	329,297	634,541	475,601	135,089	283,206	752,254	1,232,261	74,742	656,065	211,047
Debt service										
Principal	224,030	261,483	200,115	30,000	30,000	30,000	70,000	100,000	100,000	174,001
Interest and fiscal agent charges	35,001	26,014	30,375	3,576	2,355	74,170	106,699	78,850	87,706	99,314
Bond issuance costs	--	--	--	--	--	--	--	--	--	145,623
Total Expenditures	4,195,427	4,579,551	4,618,520	4,294,482	4,643,072	6,071,700	5,896,142	4,543,724	5,781,630	6,127,883
Excess of Revenues										
Over (Under) Expenditures	222,013	170,425	63,456	58,586	(52,140)	(1,146,688)	(980,382)	560,598	(532,932)	(288,557)
Other Financing Sources (Uses)										
Transfers In	1,573,048	638,391	472,899	26,134	18,691	10,893	348,082	358,529	557,645	17,250
Transfers Out	(1,016,052)	(1,243,997)	(472,899)	(26,134)	(18,691)	(10,893)	(512,258)	(486,016)	(2,233,835)	(585,795)
Proceeds of capital lease	429,361	--	--	--	--	--	--	--	--	--
Leases	--	--	--	--	--	--	--	--	204,167	177,616
Proceeds of bond issuance net	--	--	--	--	--	2,800,473	--	--	--	13,150,331
Payment to refunded bonds agent	--	--	--	--	--	--	--	--	--	--
Proceeds from sale of capital assets	68,733	13,212	--	4,455	3,970	--	5,886	--	8,460	277,770
Total Other Financing										
Sources (Uses)	1,055,090	(592,394)	--	4,455	3,970	2,800,473	(158,290)	(127,487)	(1,463,563)	13,037,172
Net Change in Fund Balances	$ 1,277,103	$ (421,969)	$ 63,456	$ 63,041	$ (48,170)	$ 1,653,785	$ (1,138,672)	$ 433,111	$ (1,996,495)	$ 12,748,615
Debt Service As A Percentage										
Of Noncapital Expenditures	6.70%	7.29%	5.54%	0.81%	0.75%	1.96%	4.00%	4.00%	3.49%	4.80%

TABLE D-6

TOWN OF PANTEGO, TEXAS

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Tax	Sales & Use Tax	Franchise Tax	Total
2014	$ 1,025,090	$ 1,708,772	$ 331,465	$ 3,065,327
2015	1,027,925	1,814,089	318,154	3,160,168
2016	1,060,682	1,974,220	337,774	3,372,676
2017	1,122,305	1,927,619	325,907	3,375,831
2018	1,247,876	1,941,471	335,336	3,524,683
2019	1,351,129	2,014,986	331,327	3,697,442
2020	1,492,559	1,968,091	293,989	3,754,639
2021	1,530,829	2,122,672	272,956	3,926,457
2022	1,535,253	2,282,299	282,204	4,099,756
2023	1,873,622	2,381,234	305,228	4,560,084
Percent Change 2014-2023	82.8%	39.4%	-7.9%	48.8%

TABLE D-7

TOWN OF PANTEGO, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Residential Property	Industrial/ Commercial Property	Mineral Reserves	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2014	$ 96,315,249	$ 146,719,746	$ 1,029,420	$ 13,260,159	$ 230,804,256	$ 0.4200	$ 230,804,256	100.000%
2015	142,259,144	155,581,300	1,195,830	52,185,034	246,851,240	0.4200	246,851,240	100.000%
2016	143,215,261	155,926,097	2,326,070	53,097,672	248,369,756	0.4200	248,369,756	100.000%
2017	155,968,390	171,818,829	488,020	54,552,563	273,722,676	0.4200	273,722,676	100.000%
2018	169,862,585	194,414,886	188,960	68,066,461	296,399,970	0.4200	296,399,970	100.000%
2019	180,634,387	211,698,893	305,820	71,492,406	321,146,694	0.4200	321,146,694	100.000%
2020	301,274,866	127,749,643	409,742	74,078,235	355,356,016	0.4200	355,356,016	100.000%
2021	231,193,211	209,800,985	159,320	75,893,633	365,259,883	0.4200	365,259,883	100.000%
2022	212,685,996	228,524,438	262,120	75,991,740	365,480,814	0.4200	365,480,814	100.000%
2023	259,526,391	216,883,755	271,510	81,995,503	394,686,153	0.4759	394,686,153	100.000%

Source: Tarrant Appraisal District

Note: Property in the Town is reassessed each year.
Property is assessed at actual value, therefore the assessed values are equal to actual value.

TABLE D-8

TOWN OF PANTEGO, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Town Direct Rates			Overlapping Rates				
	Operating & Maintenance	Interest & Sinking	Total Direct Rate	Tarrant County	Tarrant County Hospital District	Tarrant County Jr. College District	Arlington Independent School District	Total Direct and Overlapping Rates
2014	$ 0.361060	$ 0.058940	$ 0.420000	$ 0.264000	$ 0.227897	$ 0.149500	$ 1.292170	$ 2.353567
2015	0.385320	0.034680	0.420000	0.264000	0.227970	0.149500	1.348110	2.409580
2016	0.420000	--	0.420000	0.264000	0.227897	0.149500	1.412952	2.474349
2017	0.420000	--	0.420000	0.244000	0.224429	0.140060	1.368670	2.397159
2018	0.420000	--	0.420000	0.234000	0.224429	0.136070	1.368670	2.383169
2019	0.420000	--	0.420000	0.234000	0.224429	0.136070	1.368670	2.383169
2020	0.370094	0.049906	0.420000	0.234000	0.224429	0.136070	1.298670	2.313169
2021	0.370516	0.049484	0.420000	0.234000	0.224429	0.130170	1.387100	2.395699
2022	0.371329	0.048671	0.420000	0.229000	0.224429	0.130170	1.360800	2.364399
2023	0.431809	0.044122	0.475931	0.224000	0.224429	0.130170	1.308700	2.363230

Source: Tarrant Appraisal District and Town records.

Notes: All rates per $100 assessed value.
Totals are not provided for columns since they would be meaningless.
Some of the jurisdictions are mutually exclusive.

TOWN OF PANTEGO, TEXAS

PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2023			2014		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
2650 W Park Row LLC	$ 16,554,176	1	4.2%	$ 7,503,410	1	3.3%
SVS Apartments LLC	10,100,000	2	2.6%	--	--	--
PS LPT Properties Investors	8,898,261	3	2.3%	--	--	--
Oncor Electric Delivery Co LLC	5,728,836	4	1.5%	4,050,464	2	1.8%
TSCA-201 Ltd Partnership	5,347,091	5	1.4%	3,917,200	4	1.7%
Northlake Partners LLC	4,995,000	6	1.3%	--	--	--
Four Seasons Pantego I Ltd	4,950,000	7	1.3%	3,100,000	6	1.3%
Texas Pneumatic Systems Inc.	4,770,352	8	1.2%	3,941,390	3	1.7%
Farrell Property CO LTD	4,436,777	9	1.1%	--	--	--
Store Here Pantego LLC	4,122,185	10	1.0%	--	--	--
Stagliano, VJ Etux Peggy Etal	--	--	--	3,680,000	5	1.6%
Wal-Mart Stores Texas LP	--	--	--	2,703,687	7	1.2%
EAN Holdings LLC				2,686,524	8	1.2%
Aldi (Texas) LLC	--	--	--	2,546,605	9	1.1%
Southwest Cabinet Corp	--	--	--	2,284,764	10	1.0%
Subtotal	69,902,678		17.7%	36,414,044		15.8%
Remaining Roll	324,783,475		82.3%	194,390,212		84.2%
Total	$ 394,686,153		100.0%	$ 230,804,256		100.0%

Source: Tarrant Appraisal District

TABLE D-10

TOWN OF PANTEGO, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date		Outstanding As of 9/30/23
		Amount	Percentage of Levy		Amount	Percentage of Levy	
	$	$		$	$		$
2014	1,018,192	1,003,184	98.53%	9,428	1,012,612	99.45%	5,580
2015	1,036,777	1,009,813	97.40%	21,491	1,031,304	99.47%	5,473
2016	1,043,148	1,032,490	98.98%	2,972	1,035,462	99.26%	7,686
2017	1,125,507	1,110,985	98.71%	6,602	1,117,587	99.30%	7,920
2018	1,244,474	1,230,856	98.91%	5,184	1,236,040	99.32%	8,434
2019	1,348,546	1,332,986	98.85%	9,135	1,342,121	99.52%	6,425
2020	1,487,492	1,480,372	99.52%	804	1,481,176	99.58%	6,316
2021	1,526,614	1,516,520	99.34%	(1,266)	1,515,254	99.26%	11,360
2022	1,533,986	1,519,407	99.05%	(2,538)	1,516,869	98.88%	17,117
2023	1,878,095	1,859,584	99.01%	-	1,859,584	99.01%	18,511

Sources: Tarrant County Tax Assessor Collector and Town records.

Tax Lien and Assessment Date	January 1 each year
Taxes due:	October 1 of the same year
Taxes delinquent	February 1 of the following year

TABLE D-11

TOWN OF PANTEGO, TEXAS

DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	City Direct Rate	Sales Tax for Property Tax Relief	Sales Tax For Economic/ Industrial Dev Sec 4B
2014	1.00%	0.50%	--
2015	1.00%	0.50%	--
2016	1.00%	0.50%	--
2017	1.00%	0.50%	--
2018	0.875%	0.50%	0.125%
2019	0.875%	0.50%	0.125%
2020	0.875%	0.50%	0.125%
2021	0.875%	0.50%	0.125%
2022	0.875%	0.50%	0.125%
2023	0.875%	0.50%	0.125%

Source: Office of the Comptroller of the State of Texas.

TABLE D-12

TOWN OF PANTEGO, TEXAS

SALES TAX COLLECTIONS BY FUND
LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General	$ 1,426,788	$ 1,514,382	$ 1,647,731	$ 1,608,733	$ 1,620,587	$ 1,664,945	$ 1,631,776	$ 1,771,100	$ 1,904,228	$ 1,986,813
Street Improvement	281,984	299,707	326,490	318,886	320,884	332,989	326,355	351,572	378,071	394,421
Total Primary Government	1,708,772	1,814,089	1,974,221	1,927,619	1,941,471	1,997,934	1,958,131	2,122,672	2,282,299	2,381,234
Component Unit - Economic Development	563,969	599,415	652,983	637,488	641,769	665,128	652,710	703,143	756,144	788,842
Total Sales Tax Collections	$ 2,272,741	$ 2,413,504	$ 2,627,204	$ 2,565,107	$ 2,583,240	$ 2,663,062	$ 2,610,841	$ 2,825,815	$ 3,038,443	$ 3,170,076

Note: PEDC sales tax from FY 2013 and forward are presented separately from the primary government as a discretely presented component unit in compliance with GASB 14, 34, and 61.

TABLE D-13

TOWN OF PANTEGO, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

	Governmental Activities				
Fiscal Year	General Obligation Bonds	Certificates of Participation	Sales tax Revenue Bonds	Leases	Total Primary Government
2014	$ 55,000	$ 145,000	$ --	$ 847,157	$ 1,047,157
2015	--	120,000	--	66,481	186,481
2016	--	90,000	--	494,919	584,919
2017	--	60,000	--	335,957	395,957
2018	--	30,000	--	171,250	201,250
2019	--	2,735,000	--	--	2,735,000
2020	--	2,665,000	--	--	2,665,000
2021	--	2,565,000	--	--	2,565,000
2022	--	2,465,000	--	195,811	2,660,811
2023	--	15,542,941	--	314,567	15,857,508

Fiscal Year	Percentage of Personal Income	Per Capita
2014	1.5%	425
2015	0.3%	75
2016	0.8%	235
2017	0.5%	159
2018	0.3%	80
2019	3.0%	1,076
2020	3.4%	1,053
2021	2.8%	999
2022	2.7%	1,016
2023	17.9%	5,971

See Table 18 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Certificates of Partiipation are reflected net of unamortized discounts/premiums.

TABLE D-14

TOWN OF PANTEGO, TEXAS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	General Bonded Debt Outstanding: General Obligation Bonds	Certificates of Obligation	Less: Amounts Available in Debt Service Fund	Total	Percentage of Actual Taxable Value of Property	Per Capita
	$	$	$	$		
2014	55,000	145,000	237,642	(37,642)	-0.02%	--
2015	--	120,000	235,327	(115,327)	-0.05%	--
2016	--	90,000	102,701	(12,701)	-0.01%	--
2017	--	60,000	69,582	(9,582)	--	--
2018	--	30,000	37,475	(7,475)	-1.00%	--
2019	--	2,798,837	7,105	2,791,732	0.85%	1,101
2020	--	2,725,564	5,699	2,719,865	0.85%	1,076
2021	--	2,622,291	17,709	2,604,582	0.85%	1,076
2022	--	2,465,000	5,936	2,459,064	0.67%	939
2023	--	15,542,941	5,131	15,537,810	3.74%	5,852

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

See Table D-7 for property value data.

Population data can be found in Table D-18.

Certificates of Obligation are reflected net of unamortized discounts/premiums.

TABLE D-15

TOWN OF PANTEGO, TEXAS

DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
(UNAUDITED)

Governmental Unit	Debt (1) Outstanding		Estimated Percentage Applicable (2)	Estimated Share of Direct and Overlapping Debt
Tarrant County	376,120,000		0.1700%	$ 639,404
Tarrant County Hospital District	448,410,000		0.1700%	762,297
Tarrant County College District	591,230,000	(3)	0.2600%	1,537,198
Arlington ISD	1,225,554,956	(4)	3.9800%	48,777,087
Subtotal, Overlapping Debt				51,715,987
Town of Pantego	15,857,508	(1)	100.0000%	15,857,508
Total Direct and Overlapping Debt				$ 67,573,495

Sources:
(1) Town records.
(2) Tarrant Appraisal District, estimated percentage is based on formula using assessed net taxable property values.
(3) There is no bonded debt for college.
(4) Per AISD ACFR for fiscal year ended June 30, 2023.

Notes:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Town of Pantego. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident--and therefore responsible for repaying the debt--of each overlapping government.

TABLE D-16

TOWN OF PANTEGO, TEXAS

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Assessed Value of Property	$ 230,804,256	$ 246,851,240	$ 248,369,756	$ 273,722,676	$ 296,399,970	$ 321,146,694	$ 355,356,016	$ 365,259,883	$ 365,480,814	$ 394,686,153
Debt Limit, 10% of Assessed Debt	23,080,426	24,685,124	24,836,976	27,372,268	29,639,997	32,114,669	35,535,602	36,525,988	36,548,081	39,468,615
Amount of Debt Applicable to Limit										
General Debt	200,000	120,000	90,000	60,000	30,000	2,735,000	2,665,000	2,565,000	2,465,000	14,785,000
Less Resources for Repayment	(237,642)	(235,327)	(102,701)	(69,582)	(37,475)	(7,105)	(5,699)	(5,005)	(5,936)	(5,131)
Total Net Debt Applicable to Limit	(37,642)	(115,327)	(12,701)	(9,582)	(7,475)	2,727,895	2,659,301	2,559,995	2,459,064	14,779,869
Legal Debt Margin	23,118,068	24,800,451	24,849,677	27,381,850	29,647,472	29,386,774	32,876,301	33,965,993	34,089,017	24,688,746
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	-0.02%	-0.05%	-0.01%	-0.00%	-0.00%	0.85%	0.75%	0.70%	0.67%	3.74%

Legal Debt Margin Calculation for the Current Fiscal Year

Assessed Value	$ 394,686,153
Debt Limit (10% of Assessed Value)	39,468,615
Debt Applicable to Limit:	
General Debt	14,785,000
Less: Amount Set Aside for Repayment of General Obligation Debt	(5,131)
Total Net Debt Applicable to Limit	14,779,869
Legal Debt Margin	$ 24,688,746

TABLE D-17

TOWN OF PANTEGO, TEXAS

PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

	Pantego Economic Development Corporation Sales Tax Revenue Bonds			
Fiscal Year	Sales tax Collections	Debt Service Principal	Debt Service Interest	PEDC Bond Coverage
2014	$ 563,969	$ 130,000	$ 68,006	2.85
2015	599,415	140,000	61,260	2.98
2016	652,983	140,000	54,401	3.36
2017	638,621	145,000	47,041	3.33
2018	641,778	160,000	39,499	3.22
2019	665,128	165,000	31,399	3.39
2020	652,710	175,000	22,906	3.30
2021	703,144	180,000	13,861	3.63
2022	751,062	190,000	4,788	3.86
2023	788,842	--	--	N/A

Notes: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.
In 2010, PEDC refunded the sales tax revenue bonds.
Bond covenants require a coverage of no less than 1.25

TABLE D-18

TOWN OF PANTEGO, TEXAS

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
(UNAUDITED)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population (1)	2,669	2,466	2,475	2,497	2,501	2,532	2,531	2,479	2,543	2,529
Personal Income (000's) (1)	$ 71,000	$ 70,000	$ 65,463	$ 60,972	$ 62,963	$ 61,492	$ 54,946	$ 66,250	$ 79,417	$ 84,125
Per Capita Personal Income (2)	$ 36,820	$ 38,091	$ 33,508	$ 36,369	$ 35,735	$ 35,991	$ 36,413	$ 39,769	$ 44,340	$ 48,325
Median Age (1)	45.2	48.8	47.0	50.7	52.7	53.8	51.7	47.2	43.9	44.0
Public School Enrollment (2)	4,219	4,312	4,126	4,162	4,069	3,969	4,027	3,951	3,852	3,819
Unemployment Rate (4)	4.9%	4.2%	4.2%	3.5%	3.4%	3.2%	7.3%	4.5%	3.5%	3.8%

Sourc Data USA 2023

(1) American Community Survey from data.census.gov.

(2) Arlington Independent School District (AISD) - Student Demographic Reports.
Includes enrollment for Hill Elementary, Bailey Junior High and Arlington High School,
which are AISD schools zoned for the Town of Pantego.r

(3) U.S. Department of Labor, Bureau of Labor Statistics - State of Texas Unemployment Statistics report.

TABLE D-19

TOWN OF PANTEGO, TEXAS

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NONE YEARS AGO
(UNAUDITED)

Holiday Inn Club Vacations	2023			2014		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Wal-Mart Neighborhood	200	1	24.42%	125	3	11.58%
Pantego Christian Academy	177	2	21.61%	153	2	14.18%
Anton Cabinetry	110	3	13.43%	100	4	9.27%
Texas Traffic and Barricade	78	4	9.52%	--	--	--
Camp Thurman	60	5	7.33%	--	--	--
Town of Pantego	48	6	5.86%	--	--	--
Tom's Mechnical	47	7	5.74%	--	--	--
Dutch Brothers Coffee	35	8	4.27%	--	--	--
Morado Pantego (Waterford)	34	9	4.15%	--	7	--
El Chico	30	10	3.66%	--	--	--
Holiday Inn Club Vacations	--	--	--	450	1	41.71%
ESP Services Heating & AC	--	--	--	90	5	8.34%
Texas Pneumatic Systems	--	--	--	68	6	6.30%
The Waterford	--	--	--	30	7	2.78%
Trojan Electric	--	--	--	26	8	2.41%
Welden Mechanical Corporation	--	--	--	20	9	1.85%
Artic Star	--	--	--	17	10	1.58%
Total	819		100.00%	1,079		100.00%

Artic Star

Dutch Brother's Coffee
Weldon Mechanical Corp

Sources: Town's Economic Development records.

Notes:

1. Total employment figures for the Town of Pantego were not available to calculate percentage of total Town employment.
2. Camp Thurman annualized to FT equivalent as most are seasonal.

TABLE D-20

TOWN OF PANTEGO, TEXAS

FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	Full-Time-Equivalent Employees as of Year End									
Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
City Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
City Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Finance Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Accounts Payable/Payroll HR	1.0	1.0	1.0	1.0	--	1.0	1.0	1.0	1.0	1.0
EDC Coordinator	--	--	--	--	--	--	--	--	0.5	0.5
Support Specialist	2.0	2.0	--	--	--	--	--	--	--	--
Public Safety Chief	1.0	--	--	--	--	--	--	--	--	--
Public Works										
Public Works Director	1.0	1.0	1.0	1.0	--	1.0	1.0	1.0	1.0	1.0
Operations Manager	--	--	--	--	--	--	--	--	1.0	1.0
Support Specialist	--	--	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0
Code Enforcement	--	--	--	--	--	--	--	0.5	0.5	0.5
Foreman	1.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	--
Public Works Worker	4.5	3.5	3.5	3.5	3.5	3.5	3.5	4.5	2.5	2.5
Community Development										
Community Development Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	--	--	--
Support Specialist	--	--	1.0	1.0	1.0	1.0	1.0	--	--	--
Police										
Police Chief	--	--	--	--	--	1.0	1.0	1.0	1.0	1.0
Public Safety Chief	--	0.5	0.5	0.5	--	--	--	--	--	--
Assistant Police Chief	1.0	1.0	1.0	1.0	--	--	--	--	--	--
Captain	--	--	--	--	--	1.0	1.0	1.0	1.0	1.0
Lieutenant	--	--	--	--	--	--	--	--	--	--
Sergeant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	--
Sergeant CID	1.0	1.0	1.0	1.0	1.0	--	--	--	--	--
Corporal	2.0	1.0	1.0	2.0	--	2.0	2.0	2.0	1.0	1.0
Officer	6.0	7.0	7.0	6.0	6.0	6.0	6.5	6.5	7.5	6.5
School Crossing Guard	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Dispatcher	5.5	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Fire										
Fire Chief	--	--	--	--	--	1.0	1.0	1.0	1.0	1.0
Public Safety Chief	--	0.5	0.5	0.5	--	--	--	--	--	--
Assistant Fire Chief	1.0	1.0	1.0	1.0	--	--	--	--	1.0	1.0
Captain	--	--	--	--	--	--	--	--	--	--
Lieutenant	3.0	3.0	3.0	3.0	2.0	3.0	3.0	3.0	3.0	3.0
Fire Inspector	--	--	--	--	0.5	0.5	--	--	--	--
Emergency Management Coordinator	--	--	--	--	--	--	0.5	1.0	2.5	3.0
Firefighter/Paramedic	6.0	6.0	6.0	6.0	9.0	8.5	10.5	7.0	6.0	6.0
Court Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Court Clerk	--	--	--	--	--	0.5	0.5	0.5	--	--
Deputy Court Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0
Assistant Court Clerk	0.5	0.5	0.5	0.5	--	--	--	--	--	--
Warrant Officer	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0
Total	46.0	45.5	45.5	45.5	40.5	47.5	49.0	45.5	47.0	44.5

Source:
City Human Resources Office

Notes:
A fulltime employee is scheduled to work 2080 hours per year (including vacation and sick leave). Fulltime equivalent employment is calculated by dividing total labor hours by 2080.

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TOWN OF PANTEGO, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year						
Function/Program	2014	2015	2016	2017	2018	2019	2020
Public safety							
Police							
Number of employees	17.0	17.0	17.0	17.0	13.5	16.5	17.0
Part 1 index crimes	144.0	117.0	108.0	109.0	122.0	158.0	278.0
Total calls	24,428.0	20,786.0	16,847.0	15,092.0	19,243.0	19,396.0	24,807.0
Crash reports	62.0	58.0	81.0	86.0	82.0	37.0	91.0
Citations	6,796.0	6,733.0	5,028.0	5,545.0	7,676.0	4,571.0	5,643.0
Warrants issued/CID	--	20.0	--	9.0	14.0	33.0	30.0
Total arrests	976.0	995.0	756.0	552.0	532.0	457.0	186.0
Fire							
Number of employees	10.0	10.5	11.0	10.5	11.5	13.0	15.0
Number of calls for service	1,700.0	1,855.0	1,876.0	1,864.0	1,869.0	1,723.0	1,472.0
Automatic and mutual aid	1,000.0	1,109.0	1,189.0	1,155.0	1,311.0	956.0	799.0
Inspections	799.0	711.0	1,027.0	299.0	315.0	287.0	240.0
Municipal court							
Number of employees	4.5	4.5	4.5	4.5	4.5	4.5	3.5
Citations processed	6,591.0	6,943.0	6,144.0	6,057.0	6,517.0	5,400.0	3,855.0
Warrants processed	8,280.0	7,952.0	5,790.0	2,995.0	4,230.0	4,615.0	1,222.0
Public works							
Number of employees	6.5	6.5	6.5	7.5	6.5	7.5	7.5
Hours worked per function:							
Public works - utility billing	--	1,120.0	1,140.0	1,841.0	1,820.0	1,943.0	1,865.0
Public works - administration	1,806.0	2,990.0	2,964.0	5,696.0	4,916.0	4,916.0	3,816.0
Parks	1,616.0	1,978.0	2,004.0	2,054.0	2,227.0	2,658.0	2,214.0
Maintenance	1,392.0	7,070.0	7,068.0	6,052.0	5,687.0	5,025.0	4,184.0
Streets/Drainage	1,711.0	1,132.0	1,236.0	948.0	938.0	1,704.0	1,419.0
Animal control	214.0	202.0	36.0	426.0	548.0	351.0	292.0
Community Development							
Building Safety Inspections	559.0	682.0	375.0	429.0	473.0	271.0	206.0
Code Compliance Inspections	69.0	66.0	28.0	51.0	97.0	60.0	50.0
Commercial Permits Issued	123.0	119.0	122.0	97.0	114.0	81.0	49.0
Residential Permits Issued	124.0	127.0	133.0	125.0	122.0	119.0	93.0
Certificates of Occupancy Issued	93.0	115.0	176.0	102.0	74.0	57.0	78.0
Water and Sewer							
Number of water customers	1,187.0	1,197.0	1,210.0	1,218.0	1,218.0	1,218.0	1,206.0
Number of sewer connections	1,141.0	1,161.0	1,160.0	1,166.0	1,169.0	1,169.0	1,169.0
Number of solid waste customers	923.0	935.0	938.0	942.0	947.0	948.0	929.0
Number of recycling customers	872.0	886.0	886.0	886.0	887.0	888.0	875.0
Yearly water consumption (MILLIONS OF GALLONS)	267.9	163.0	157.5	154.7	179.8	174.7	162.5
Yearly sewer usage (MILLIONS OF GALLONS)	114.3	108.0	101.0	103.3	106.2	105.9	89.5

Sources: Various Town department records.
Note: Public Works functions include parks, streets, facilities maintenance, animal control services, water and wastewater operations, inclucing utility billing.

TABLE D-21

2021	2022	2023
17.0	17.0	15.0
271.0	237.0	237.0
24,958.0	20,663.0	20,663.0
60.0	132.0	132.0
5,303.0	5,796.0	5,796.0
24.0	43.0	43.0
63.0	98.0	98.0
12.0	13.5	14.0
1,953.0	2,656.0	2,346.0
1,648.0	1,772.0	1,592.0
292.0	205.0	256.0
3.5	4.0	4.0
3,386.0	4,262.0	4,262.0
671.0	965.0	965.0
9.0	8.0	7.0
1,883.0	1,961.0	1,961.0
4,316.0	4,165.0	4,165.0
2,504.0	2,417.0	2,417.0
4,733.0	4,568.0	4,568.0
1,605.0	1,549.0	1,549.0
330.0	319.0	319.0
481.0	307.0	470.0
216.0	480.0	112.0
68.0	74.0	72.0
129.0	110.0	119.0
78.0	67.0	91.0
1,189.0	1,202.0	1,221.0
1,139.0	1,169.0	1,169.0
923.0	944.0	954.0
767.0	874.0	889.0
170.2	197.0	197.0
88.4	129.0	129.0

TABLE D-22

TOWN OF PANTEGO, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol units	6	6	6	6	6	6	6	6	6	6
Police admin units	2	1	2	2	2	4	1	1	2	2
Fire stations	1	1	1	1	1	1	1	1	1	1
Ambulance units	2	2	2	2	2	2	2	2	2	2
Fire engine units	2	2	2	2	2	3	1	2	2	2
Hazmat units	1	1	1	1	--	--	--	--	--	--
Fire admin units	3	3	3	3	3	2	2	2	2	2
Streets										
Streets (miles)	17.62	17.62	17.62	17.62	17.62	17.62	17.62	17.62	17.62	17.62
Traffic signals	8	8	8	8	8	8	8	8	8	8
Streetlights	237	237	237	237	237	237	237	237	237	237
Culture and Recreation										
Parks	1	1	1	1	1	1	1	1	1	1
Park (acres)	7.69	7.69	7.69	7.69	7.69	7.69	7.69	7.69	7.69	7.69
Playgrounds	3	3	3	3	3	3	3	3	3	3
Basketball courts	2	2	2	2	2	2	2	2	2	2
Park Pavilions	3	3	3	3	3	3	3	3	3	3
Splash Pad	--	--	--	--	1	1	1	1	1	1
Water and sewer										
Miles of water main	23.5	23.5	23.5	23.5	24.0	24.0	24.0	24.0	24.0	24.0
Miles of sewer main	25.3	25.3	25.3	25.3	25.0	25.0	25.0	25.0	25.0	25.0
Water storage facilities	3	3	3	3	3	3	3	3	3	3
Number of fire hydrants	171	171	171	171	171	171	171	171	171	171

Sources: Various Town Departmental records.